

**SB**

**129**

<TARGET><BILL>SB 129</BILL><SUBJECT>SB  
129</SUBJECT><COMM>SSTA27</COMM></TARGET>

# Alaska State Legislature

Session:  
State Capitol  
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Senator Lesil McGuire

## MEMORANDUM

To: Senator Bill Wielechowski, Chairman  
Senate State Affairs Committee

Cc: Michelle Sydeman, Aide  
Senate State Affairs Committee

From: Senator Lesil McGuire

Date: February 1, 2012

Re: Hearing request for SB 129, "An Act relating to the approval and administration of child care services by the Department of Administration primarily for the benefit of state officers and employees; and providing for an effective date."

---

Please schedule Senate Bill 129, relating to child care services, at your earliest convenience.

Attached to this memo please find:

- SB 129, the original bill, Version A
- A sponsor statement

The contact for SB 129 is Genevieve Wojtusik, 465-3579

Thank you.

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## Senator Lesil McGuire

### SB 129 "Child Care Centers in State Office Buildings"

Alaska is experiencing a severe lack of affordable child care. Our parents are unable to enter the workforce and our employers are unable to recruit and retain workers. Child care providers are overworked and underpaid, unable to lower their rates and continue providing service. Organizations across the state, from social service organizations to economic development organizations, are joining together to work on this very important issue. It is time we joined that effort. We must reaffirm our commitment to children and families.

Senate Bill 129 would allow child care centers to be located in office buildings owned or leased by the State of Alaska. Agencies interested in on-site child care facilities would work with the Department of Administration to determine need and feasibility. This bill provides important benefits to the State as an employer, employees and their children, and child care providers.

As an employer, the State will greatly benefit from the passage of this bill. Two decades of research shows that addressing the tension between work and life can improve recruitment and retention, reduce absenteeism and tardiness, and increase job satisfaction and loyalty. With recruitment and retention of employees being major concerns in today's economy, this bill will help to attract more prospective employees to the State. On-site child care will not only provide an important benefit to employees, resulting in fewer turnovers, it will also provide a higher quality of care for our children.

The time has come to provide the State, employees, and children with the resources necessary to succeed. I greatly appreciate your support of Senate Bill 129.

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version SB129  
 Fiscal Note Number \_\_\_\_\_  
 () Publish Date \_\_\_\_\_

Identifier (file name) SB129-DOA-FAC-2-3-12 Dept. Affected Administration  
 Title Child Care Ctrs: State Employees & Others Appropriation General Services  
 Allocation Facilities  
 Sponsor Senator McGuire  
 Requester Senate State Affairs OMB Component Number 2429

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>	<b>FY13</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Personal Services	***	***	***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>	<b>***</b>

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							
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Estimated SUPPLEMENTAL (FY12) operating costs \_\_\_\_\_ (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs \_\_\_\_\_ (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Not applicable, initial version

Prepared by Vern Jones  
 Division Division of General Services  
 Approved by John Cramer, Deputy Commissioner  
Department of Administration

Phone 465-5684  
 Date/Time 2/3/12 4:00 PM  
 Date 2/3/2012

FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. SB129

Analysis

The Department of Administration, Division of General Services believes the fiscal impact of this legislation cannot be accurately determined at this time. Some projected cost estimates follow:

Cost for adding child care to a new building housing 250 employees:  
250 people X 175sf = 43,750sf = min. building size requiring child care  
250 people = approx. 25 children  
25 children would require approx. 2,000sf (80sf for each child)  
2,000 sf child care construction cost is approx. \$410,000 (\$205/sf)  
43,750sf building would cost approx. \$16,625,000  
Additional day care costs = 2.5%

Costs for adding a day care to the three most recently acquired state office buildings:

Atwood

253,294sf/175sf = 1447 people = 145 children  
145 X 80sf = 11,600sf  
11,600sf X \$205 = \$2,378,000

Palmer SOB

64,630sf/175sf = 369 people = 37 children  
37 X 80sf = 2,960sf  
2,960 X \$205 = \$606,800

Court Plaza Building

26,737sf/175sf - 149 people\* = 15 children  
15 X 80sf = 1,200sf  
1,200 X \$205 = \$246,000

\*would not trigger a child care center per the bill

# FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

Bill Version SB129  
Fiscal Note Number \_\_\_\_\_  
( ) Publish Date \_\_\_\_\_

Identifier (file name) SB129-DOA-RM-2-3-12 Dept. Affected Administration  
Title Child Care Ctrs: State Employees & Others Appropriation Risk Management  
Allocation Risk Management  
Sponsor Senator McGuire  
Requester Senate State Affairs OMB Component Number 71

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS**

Full-time							
Part-time							
Temporary							

**CHANGE IN REVENUES**

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Estimated **SUPPLEMENTAL (FY12) operating costs** \_\_\_\_\_ (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

Estimated **CAPITAL (FY13) costs** \_\_\_\_\_ (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Not applicable, initial version

Prepared by Scott Jordan, Director  
Division Risk Management  
Approved by John Cramer, Deputy Commissioner  
Department of Administration

Phone 465-5723  
Date/Time 2/3/12 3:30 PM  
Date 2/3/2012

FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. SB129

**Analysis**

Risk Management (RM) would not be financially impacted by this proposed legislation.

Under proposed Section 1, (2), it states Sec 39.90.240 Selection of Providers. The child care provider would be selected by the department using procedures in AS 36.30 (State Procurement Code). It is assumed that any contract provider will be required to provide adequate insurance for the risks associated with operating a child care facility.

February 6, 2012

Senator Lesil McGuire  
State Capital Room 125  
Juneau, AK 99801

Dear Senator McGuire,

On behalf of thread, Alaska's Child Care Resource and Referral Network, I am pleased to offer our support for Senate Bill 129, which relates to approval and administration of child care services for the benefit of state employees.

thread promotes accessible, affordable and quality child care and early learning for Alaska's children. For many Alaska families, child care services and early learning programs help them stay employed. Recent studies have shown the early childhood workforce, which numbers close to 7,300 employees, helps keep over 32,000 Alaska residents employed. The reality of Alaska's workforce today is that over 60 percent of households with children have all of the adults in their home working.

However, finding quality and affordable child care in Alaska is often challenging. By offering this legislation, which would ensure new state offices reserve space for child care services, the Alaska State Legislature is taking a significant step in providing increased access to child care for many working families.

Thank you for the opportunity to offer our support.

Best Regards,



Stephanie Berglund  
thread CEO

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[www.threadalaska.org](http://www.threadalaska.org)

# *The Current Status of Child Care in Juneau*

*Working Paper February 3, 2009*



JEDC research is supported by generous contributions from the following sponsors:

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# Table of Contents

INTRODUCTION .....	1
NEEDS ANALYSIS .....	2
CAPACITY .....	3
CHANGE IN CAPACITY, 2002-2008 .....	4
CAPACITY LIMITS BY PROVIDER TYPE.....	7
NON-REGULATED CHILD CARE PROVIDERS .....	8
COSTS .....	10
THE COST OF CHILD CARE FOR PARENTS .....	10
EARLY EDUCATION AS ECONOMIC INVESTMENT.....	12
THE COST OF CHILD CARE FOR PROVIDERS .....	12
JUNEAU CHILD CARE PROBLEM ANALYSIS .....	14
PROBLEM STATEMENT.....	15
CAUSES .....	15
CONSEQUENCES.....	18
APPENDIX I: PROVIDER COSTS .....	19
JUNEAU CHILD CARE CENTERS—AVERAGE REVENUES AND EXPENSES .....	19
GROUP HOME CHILD CARE—AVERAGE REVENUES AND EXPENSES .....	20
JUNEAU FAMILY CHILD CARE HOMES -AVERAGE REVENUE & EXPENSE.....	21



# Introduction

The Juneau Economic Development Council (JEDC) recognizes the importance of child care to our community, especially to Juneau's working families. The purpose of this document is to assess the need for child care in Juneau; inventory the assets available to meet local child care needs; compile additional statistics related to Juneau child care including costs; and develop a problem analysis. Because child care is such a large issue, the scope of this initial document is limited and does not include after-school care, summer care, or part-time preschool programs.

- There are currently 2,200 Juneau children of child care age (0-5), including 1,540 with either both parents in the workforce or—for children in one-parent households—with their only available parent in the workforce.
- Juneau currently has 42 licensed and approved child care facilities with the capacity to serve 498 Juneau children five and under.
- Capacity is most limited for Juneau's youngest children. Of the 498 total full time child care slots in Juneau, 104 slots serve Juneau's 600 toddlers, and 44 serve Juneau's 400 infants.
- The waiting lists for many of these programs—including Juneau's largest centers, Gold Creek Child Care and Montessori—are up to two years, and in some cases even longer.
- The parents of more than 1,000 Juneau children appear to have found alternatives to State regulated child care programs. While unlicensed providers caring for more than four unrelated children are operating illegally, there appears to be minimal enforcement, few incentives to become licensed, and many unlicensed child care facilities in Juneau. In addition to care by unlicensed providers, children are cared for by grandparents; brought to work with parents; or are cared for in homes with four or less children, which is legal.
- Juneau children under six, their parents, and their providers account for 13.5 percent of the Juneau population.
- The average annual cost of child care in Juneau is \$8,748 per child, and can be as high as \$11,600.<sup>1</sup>
- Based on an estimated 2007 median family income, average child care costs accounts for 13 percent of a Juneau family's adjusted gross income, per child.
- Juneau's unemployment rate is 4.4 percent - with some employers noting that the local child care shortage prevents hiring staff.



<sup>1</sup> Average annual child care costs based on mid-2008 AEYC numbers for 365 children.

# Needs Analysis

According to the US Census, there were 2,265 children under the age of six in Juneau in 2000. Of those children, 1,577—or 70 percent—lived in a household in which their parents were in the workforce, and so were presumably in need of child care. The Juneau Economic Development Council estimates that in 2008, there were 1,540 Juneau children in need of child care.<sup>2</sup>

## Juneau Children Under Six by Parent in the Labor Force Status, 2000

Juneau Household Type	Number of Children Under 6, 2000	2008 Estimates	% of Juneau Children Under 6
<b>Juneau children under six likely needing child care, as parents work</b>	<b>1,577</b>	<b>1,540</b>	<b>70%</b>
In two parent household, both parents in the workforce	1,031		46%
In single parent household, parent in the workforce	546		24%
<b>Juneau children under six with parent/s not in workforce</b>	<b>688</b>	<b>660</b>	<b>30%</b>
In two parent household, one parent in the workforce	557		25%
In two parent household, neither parent in the workforce	50		2%
In single parent household, parent not in workforce	81		4%
<b>Total Juneau children under six</b>	<b>2,265</b>	<b>2,200</b>	<b>100%</b>

Source: 2000 US Census. Note: Due to rounding, numbers may not add up to 100%.



A higher percentage of Juneau children under the age of six are in need of child care than in the wider Alaska or US geographies. In Alaska and nationally, approximately 60 percent of all children under 6 are in households where all available parents work, and are presumably in need of child care, compared to 70 percent in Juneau (see following table).

<sup>2</sup> Estimates are based on Alaska Department of Labor data.

*Children Under Six With Available Parents in the Workforce  
Juneau, Alaska, US, 2007*

Area	Children Under 6 Likely Needing Child Care - All Parents Work	Children Likely in Need of Child Care as a % of All Children Under Six
<b>Juneau</b>	<b>1,540</b>	<b>70%</b>
<b>Alaska</b>	<b>36,000</b>	<b>61%</b>
<b>US</b>	<b>14.5 million</b>	<b>62%</b>

Source: U.S. Census Bureau, American Community Survey, 2007, Tables B01001 and B11003; and JEDC 2007 estimates based on 2000 U.S. Census Bureau; AEYC, 2008 figures; and 2007 ADOL data.

***Impacted Juneau Population***

Juneau child care matters directly impact 13.5 percent of the local population, or 4,100 residents. Impacted residents include individuals under the age of six, parents or guardians of a child under six, or individuals employed in a licensed or approved child care facility.

*Juneau Residents Impacted by Child Care, 2008*

Group	Population	Percent of Total Juneau Population
<b>Juneau Children Under 6</b>	<b>2,200</b>	<b>7.3%</b>
<b>Juneau Parents (or Guardians) with Children Under 6</b>	<b>1,800<sup>3</sup></b>	<b>5.9%</b>
<b>Juneau Child Care Workers<sup>4</sup></b>	<b>100</b>	<b>0.3%</b>
<b>Total</b>	<b>4,100</b>	<b>13.5%</b>

Source: JEDC 2007 estimates, based on 2000 U.S. Census Bureau; AEYC, 2008 figures; and ADOL data.

## Capacity

As of December 2008, Juneau had 42 licensed or approved Juneau child care facilities with the capacity to serve 498 full time children, including 148 children under the age of 30 months<sup>5</sup>. Therefore, regulated (licensed or approved) Juneau child care services have the capacity to serve one in nine Juneau infants, one in six Juneau toddlers, and one in three Juneau preschoolers.

<sup>3</sup> Includes 1,490 parents and 310 non-parent guardians.

<sup>4</sup> Includes only workers at full-time child care facilities. Figure does not include Headstart childcare workers, public school preschool workers, or child care licensing workers.

<sup>5</sup> Part time slots were combined to equal full time equivalents.

*Juneau Full Time Child Care Capacity by Age, 2008  
Licensed or Approved*

Age Group	Population in Age Group	Total Full Time Child Care Slots	Ratio of Capacity to Population
<b>Infants (under 12 months)</b>	400	44	1:9
<b>Toddlers (12-29 months)</b>	600	104	1:6
<b>Preschoolers (2 1/2 to 5)</b>	1,200	350	1:3
<b>Total</b>	<b>2,200</b>	<b>498</b>	<b>1:4</b>

**Source:** Capacity Data: Association for the Education of Young Children – Southeast Alaska. Population Data: JEDC estimates based on Alaska Department of Labor population data.

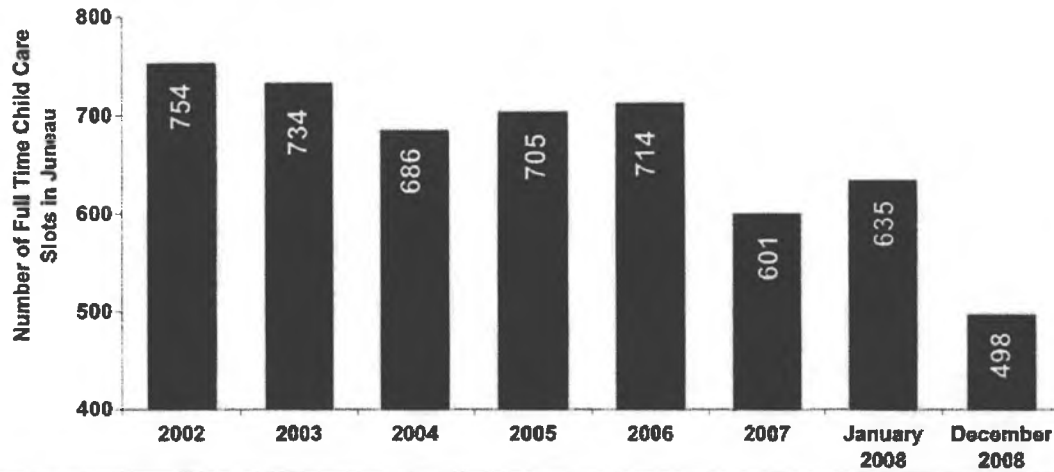
### Change in Capacity, 2002-2008

The current level of 498 child care spots (for children five and under) in Juneau represents a capacity decrease of 34 percent—or 256 slots—from 2002, and includes a 22 percent reduction in Juneau child care capacity during 2008 (see following table). Recent decreases in Juneau child care capacity follow state and regional trends. According to the Association for the Education of Young Children in Southeast Alaska (AEYC), statewide child care capacity has decreased in Alaska during 2008. Child Care Connection Program Manager, Stephanie Berglund cites several reasons for this trend. She says that the rising costs of commodities like fuel and food cause child care rates to increase beyond what parents can afford to pay. If one parent's income is equal to or less than the cost of child care, that parent will often choose to stay home, and providers cannot afford to operate at a loss.<sup>6</sup>



<sup>6</sup> Personal communication, Joy Lyon, AEYC.

*Number of Full Time Child Care Slots in Juneau  
2002 to 2008<sup>7</sup>*



Year	Population of child care age Juneau children (0 to 5)*	Number of full time child care slots	Ratio of children to slots
2002	2,300	754	1:3.1
2003	2,360	734	1:3.2
2004	2,270	686	1:3.3
2005	2,280	705	1:3.2
2006	2,100	714	1:2.9
2007	2,200	601	1:3.7
2008	2,200	498	1:4.2

Source: Association for the Education of Young Children – Southeast Alaska. \*JEDC estimates based on Alaska Department of Labor population data.

*Plans for Increased Capacity*

There are plans to increase the capacity of child care in Juneau:

- Two new small family child care operations are in the process of being approved (however two other small operations are also in the process of closing).
- A new child care center, recently approved by the legislature, is likely to open in October of 2009 with 9 slots reserved for legislators and their staffers, and 33 slots available to Juneau State and City workers. As of January 2009, all of the center's spots were reserved, and families are already on the waiting list for 2010 openings.
- Juneau Montessori is considering expanding its program to include 36 more students in the next year, pending funding.<sup>8</sup>

<sup>7</sup> Chart depicts licensed or approved child care slots only.

<sup>8</sup> Montessori has a five year plan to add 75 new child care slots in total if funding becomes available.

However, even with the possibility of 70 new child care slots opening, there will still be nearly 1,000 Juneau children in need of child care without access to licensed or approved child care facilities.

### *Comparing Capacity to Other Areas*

Juneau's child care capacity is comparatively lower than child care capacity on the state or national scale. In Juneau, there is less than one child care spot for every four children under the age of six, compared to one to 3.5 in Alaska and one to 2.1 nation-wide (see table below).

**Child Care in Juneau, Alaska, US, 2008**

Area	Total Child Care Spaces	Total Children of Child Care Age	Ratio of Capacity to Population of Children Under 6
<b>Juneau</b>	<b>498</b>	<b>2,200</b>	<b>1:4.2</b>
<b>Alaska</b>	<b>17,189</b>	<b>60,400</b>	<b>1:3.5</b>
<b>US</b>	<b>10.8 million</b>	<b>22.8 million</b>	<b>1:2.1</b>

Source: Capacity Data: NACCRRRA. Population Data: JEDC estimates based on Alaska Department of Labor population data.

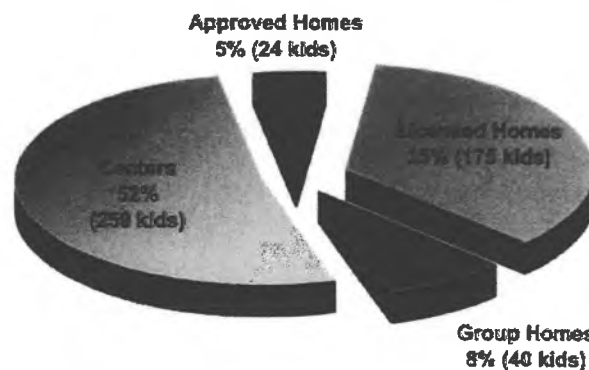
Juneau's reduced child care capacity rate is compounded by the fact that a higher percentage of Juneau children live in homes where available parents work (70 percent) than on the state or national levels (approximately 60 percent).<sup>9</sup> Considering the high need for child care in Juneau, along with the relatively low capacity rates of licensed and approved child care, non-regulated child care is likely playing a large role in Juneau.

### *Child Care Provider Types*

Juneau currently has 42 approved or licensed providers with 498 child care spots.

**Licensed Child Care Providers & Facilities**—Licensed child care providers/facilities are those facilities that possess a current license, issued by the Department of Health & Social Services to operate a child care facility in the State of Alaska.

**Total Regulated Juneau Child Care Spots by Type, December 2008**



Source: AEYC. Note: Percentages are based on total child care slots. There are 498 total child care slots in Juneau.

<sup>9</sup> See previous table: Children Under Six With All Available Parents in the Workforce.

Juneau currently has the following:

- 25 Licensed Child Care Homes serving 175 children;
- 4 Licensed Child Care Group Homes serving 40 children, and
- 7 Licensed Child Care Centers, serving 259 children.

**Approved Child Care Providers**—Approved child care providers are those providers who are otherwise exempt from licensure and who are approved to provide child care services to children whose families receive child care assistance. Juneau has the following:

- 6 approved homes serving 24 children.<sup>10</sup>

### Capacity Limits by Provider Type

The number of children who can be cared for by one adult is limited to 4 to 10 children, depending on the type of child facility, with the limits decreasing to 2 to 6 children for children under 30 months.

*Capacity Limits by Provider Type*

Age	Infants and Toddlers (Below 30 Months)	Total Infants, Toddlers and Preschoolers
<b>Approved Home</b>	2	4 total – if all unrelated 5 total – including own
<b>Licensed Family Home</b>	3 - if one is walking	8 total – including own
<b>Licensed Group Home</b>	5 – if two are walking	12 total – if 2 adults
<b>Licensed Center</b>	5 infants per adult 6 toddlers per adult	Maximum depends on staffing (10 preschoolers per adult)

Source: AEYC

#### The Under 30 Months Situation

The number of adults required to care for children under-30-months can be up to twice the number of adults required to care for preschoolers. Since most Juneau providers are one adult operations, the maximum number of under-30-month aged children is often quickly reached. So while a new Licensed Family Home might open with eight new child care spots, only two of these spots can go to non-ambulatory (non-walking) children. While these ratios are critical to insure the safety and quality care of young children, they also limit the ability for providers to significantly increase infant and toddler child care slots. One local provider shared her experience. “I was new to Juneau and everyone talked about the extreme shortage of childcare here. I was encouraged to open my own facility and I thought this would be a great way to stay home with my young son. I love toddlers and thought it would be the perfect fit. But the huge need is really for those in the under 30-month category. Since my son was not walking that meant I could only take one infant.”

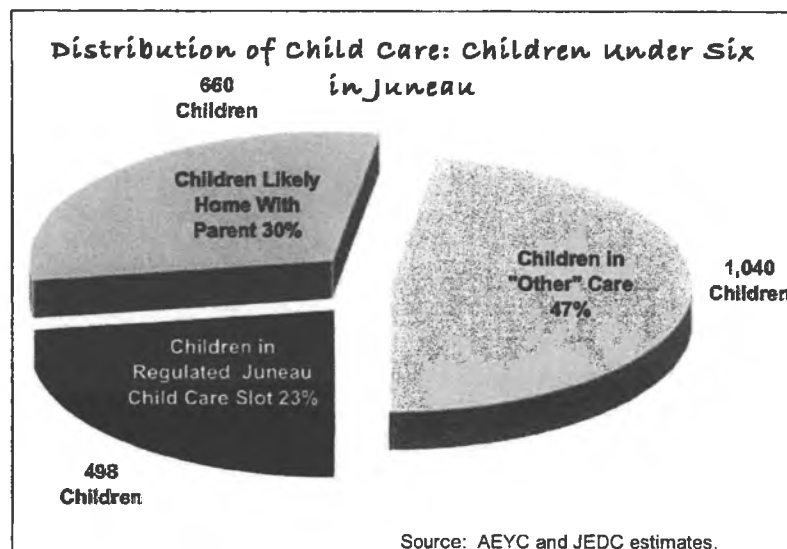
<sup>10</sup> <http://hss.state.ak.us/dpa/programs/ccare/eligible-providers.htm>

## Non-Regulated Child Care Providers

According to the Alaska Department of Health & Social Services (H&SS), any provider in Juneau without a Child Care License from H&SS who is caring for more than four unrelated children is considered an illegally operating provider. The state instituted the child care licensing program in response to past cases of abuse, sexual abuse, and fire hazards in Alaska's child care facilities.<sup>11</sup>

Alternatives to regulated child care also include care by grandparents or other family; splitting work shifts between two employed parents; bringing a child to work; trading care time with friends; or relying on non-licensed, non-approved child care facilities in the community. There are no available statistics on unregulated care providers in Juneau.

There are approximately 2,200 children in Juneau under the age of six, and 498 total child care slots in approved or licensed child care facilities community-wide. Since 70 percent of Juneau children under the age of six live in households where all available parents work, the parents of approximately 1,040 children in Juneau have found a child care alternative to regulated care.



Some available statistics confirm the high usage of non-regulated child care in the Juneau area. Of the sixty-eight current business licenses issued for child care in the city of Juneau, only 24 of them are licensed homes or centers through H&SS. A Twin Lakes child care survey, conducted by AEYC in 2008, asked 200 employees in the Twin Lakes area what type of child care parents of young children were using. Just as many parents reported using non-licensed paid child care providers as reported using licensed or approved care. Joy Lyon, Executive Director of the Association for the Education Young Children in Juneau, expressed concern regarding these findings: "The indications are that a high number of children are in unregulated care with unknown health and safety conditions. Unregulated programs have no background checks of

<sup>11</sup> Case example: R.E. et al v. State of Alaska (7/29/94), 878 P 2d 1341.

adults in the home and may not have CPR, first aid, or child development training. There are no assurances that guns and poisons are locked and secure".<sup>12</sup>

### *Why Providers are Unlicensed*

Many Juneau child care providers choose to remain unlicensed, or have even transitioned from licensed to unlicensed status. To gain more insight into why this is the case, we interviewed several providers, both licensed and unlicensed, about the topic.

Juneau's child care providers note excessive paperwork requirements, administrative time commitments, and a lack of consistency regarding the inspection requirements as licensing frustrations. Providers also point to the licensing agents themselves, who often have no background in early learning or child care, and say that in some cases they feel the agents are working against them rather than with them. One provider called the inspection process "extremely patronizing." Providers also complain that the state licensure system narrowly focuses on safety and does not recognize or reward early learning curriculum. Moreover, while operating a non-regulated child care with more than four children is illegal, there is little to no enforcement of this the law in this area.<sup>13</sup> Unlicensed providers told us that their licensed colleagues advised them not to undergo the process.

While licensed facilities do gain access to food reimbursements (up to \$121 per child per month) and child care grants (\$32.25 per child per month if the facility has children on State assistance) the rewards for complying are minimal. Additional interview notes follow:

- "Something designated as completely safe when one licensing agent visits is said to be a safety hazard by another."
- "I looked into licensing, but there was so much paperwork. It was so difficult to fill it out, and nobody would help me fill it out."
- According to one provider interviewed, she is thinking of dropping her license and three others she knows have already dropped their license to reduce the paperwork and compliance burden.
- Another provider reports she has been in business for twenty-one years and licensed only five of those years. She also is thinking of dropping her license.



<sup>12</sup> Personal communication, November 10, 2008.

<sup>13</sup> Health and Social Services officials will follow up on any reported cases of non-legal child care; however, they do not actively seek out non-compliant providers and are rarely informed of any. If a complaint was issued, non-compliant group or family home operators would be given 30 days to become approved or licensed without penalty. Non-legal centers, on the other hand, would be closed down immediately.

## Costs

### The Cost of Child Care for Parents

The average rate for childcare in Juneau in 2008 was \$729 per child per month, although child care rate ranged from \$400 to nearly \$1,000 per child per month. Average monthly rates for toddlers were slightly higher (\$809), and average rates for preschoolers were slightly lower (\$691). Juneau family homes generally have rates at least \$100 less per month than centers or group homes.

#### *Average Juneau Child Care Rates by Category, 2008*

Infants	Toddlers	Preschoolers	Overall Average
\$756	\$809	\$691	\$729

Source: Mid-2008 AEYC figures: Includes 40 infants, 97 toddlers, and 228 preschoolers.

Note: Infants are defined as those under 12 months. Toddlers are 12 to 30 months. Preschoolers are 2.5 to 5 or 6, depending on the age of kindergarten entry.

#### *Range of Child Care Rates: Juneau, Southeast and Alaska, 2007*

Area	Infants	Toddlers	Preschoolers
Juneau	\$575-\$967	\$525-\$967	\$400-\$908
Southeast (non-Juneau)	\$575-\$941	\$415-\$1,000	\$495-\$842
Statewide	\$510-\$1,188	\$415-\$1,000	\$230-\$1,100

Source: Alaska Department of Health and Social Services, Division of Public Assistance.

#### *The Debate Regarding Child Care Market Rates*

The last Juneau child care rate survey was conducted in July of 2007. The survey was conducted, in large part, to help determine the new reimbursable rate structure; however, some Juneau providers have stated that they are setting their rates artificially low by matching or remaining near the State reimbursable rates to allow lower income clients to continue to afford child care services. Providers say state reimbursable rates would more accurately reflect actual operating costs if the survey questions reflected how much businesses actually cost to run, instead of how much owners charge. The Alaska Department of Health and Social Services plans to conduct a second survey, with refined methods, early next year. New rates based on that survey would go into effect in mid-2009.



### Juneau Household Costs

Child care is expensive and constitutes a significant percentage of low-income and middle-income family budgets in Juneau. In 2000, the median family income for Juneau families with children under the age of 18 was \$64,084. While median incomes today are likely somewhat higher, even based on a \$72,000 median family income, average child care costs for one child would account for 13 percent of a family's adjusted gross (post-tax) income.<sup>14</sup>

#### Median Juneau Family Income by Family Type, 2000

Family Type	Median Family Income
<b>All Families with own children under age 18</b>	<b>\$64,084</b>
Married-couple families with own children under age 18	\$77,664
Single-mother families with own children under age 18	\$29,634
Single-father families with own children under age 18	\$38,750

Source: Population Reference Bureau, analysis of data from U.S. Census Bureau, 2000 Census Summary File 3 (Tables P15, PCT39 & PCT40)

#### Median Juneau Family Income by Family Type, 2007

Family Type	Median Family Income
<b>Estimated 2007 Median Juneau Family With Children Income</b>	<b>\$72,000</b>
<b>Federal Taxes Based on Above*</b>	<b>\$4,370</b>
<b>Adjusted Gross Income</b>	<b>\$67,630</b>

\*Turbo Tax, 2007 tax year. Tax scenario includes child care tax credit.

### Juneau Household Costs

Juneau Annual Household Costs	Annual Costs	Percent of Post Tax Income
<b>Housing</b>		
Average Annual Mortgage in Juneau*	\$23,748	35%
Average Annual Rent in Juneau*	\$14,400	21%
<b>Average Child Care in Juneau (1 child)</b>	<b>\$8,748</b>	<b>13%</b>
<b>Average Food Costs in Juneau (family of 4)**</b>	<b>\$6,500</b>	<b>10%</b>
<b>Average Heating and Electricity Costs in Juneau*</b>	<b>\$4,560</b>	<b>7%</b>
<b>Average Annual Contribution for Family Health Care Coverage<sup>§</sup></b>	<b>\$3,500</b>	<b>5%</b>

\*CBJ, 2006; \*\*University of Alaska Fairbanks Cooperative Extension Service; <sup>§</sup>Kaiser Family Foundation, 2008. US average.

<sup>14</sup> In a household with two children in child care, child care costs would account for 26 percent of a family's adjusted gross income.

## Early Education as Economic Investment

### *Return on Investment*

There have been many economic studies regarding the potentially large returns to early childhood education for lower income children.<sup>15</sup> Decades of scientific research show that child care and preschool programs later result in lower drug use, lower crime, fewer families receiving welfare, and higher graduation rates.<sup>16</sup> Studies show conclusively that high quality early childhood education provides a significant return on investment for communities. Financial returns can be as much as \$17 to every dollar spent on infant, toddler and preschool care.

### *The Impact of Working Mothers*

Child care availability and affordability plays a key role in the economic development of communities. The increased availability of affordable, high quality, and reliable child care in Juneau would enhance the work readiness of the local population, particularly Juneau female potential workers, and as a result, enhance the city's economic growth.

### *Additional Resources*

A 2006 report by the McDowell Group entitled, "The Economic Impact of Early Education and Child Care Services in Alaska," does not break out Juneau economic impacts specifically, yet provides excellent state-wide statistics and research on economic impact issue.

## The Cost of Child Care for Providers

The Juneau Economic Development Council conducted executive interviews with 11 licensed Juneau child care facilities in December of 2008 to ask about the costs of providing child care in Juneau. Interviews were conducted with directors of three child care centers, three group homes, and five child care homes. The quality of care in the facilities varies greatly. Some are educational and take children on frequent outing such as weekly ice skating, while others focus on play and care at the facility. Expense per child among providers interviewed varies from \$1,000 (excluding owners salary) to over \$9,000 per child per year (for facilities that included salaries as part of expense). The results of that study are attached as an appendix to this report.

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<sup>15</sup> A key difference in lower and higher income homes appears to be the number of hours an adult reads to a child. A typical child from a middle class family is read to over 600 hours by kindergarten age, while children from low income families receive an average of 25 hours per child.

<sup>16</sup> Alaska educators have called dropping out the result of an accumulative failure, which can start before kids even enter public school and some said they know which kids are not going to graduate high school on the first day of kindergarten. "Some children show up knowing how to read, while others come not even knowing what the colors are." ADN

Generally, child care providers in Juneau earn significantly less than those in other professions. According to the Alaska Department of Labor, child care workers in Southeast Alaska earn an average of \$10.74 per hour, which translates into an annualized salary of \$22,340, or 45 percent below Juneau's average annual salary of \$40,380.<sup>17</sup> In many cases, child care workers are not required to have specific schooling or experience, while other child care workers are highly educated professionals in the field of early education. Child care earners on the higher of the wage scale (the 90<sup>th</sup> percentile level)<sup>18</sup> still only earn \$13.72 per hour, or \$28,500 annually.<sup>19</sup> Elementary school teachers in Southeast Alaska, by comparison, earn an average annual salary of \$56,300.

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<sup>17</sup> <http://www.labor.state.ak.us/research/wage/matrixt.htm>

<sup>18</sup> At the 90<sup>th</sup> percentile, 90 percent of all wage earners in that occupation make that wage or less, and conversely, 10 percent make more than that wage.

<sup>19</sup> <http://www.labor.state.ak.us/research/wage/seoes.htm#39-9011>

## Juneau Child Care Problem Analysis

The “problem” with child-care in Juneau may seem fairly obvious at first glance. As we engage stakeholders involved in the world of child care (like with many other problems), it becomes apparent that the “problem” looks very different to different people. Recognizing that a common understanding or definition of the problem is critical to constructively addressing it, JEDC provides a problem analysis, using our own understanding of the relevant issues as well as receiving input from a diverse set of Juneau child care stakeholders.

With input from others, JEDC’s analysis of the problem with child-care has produced a central problem statement that describes the core issue we need to address. We then proceeded to identify the various causes of this problem and were able to group these causes into different categories. When we consider causes, it is important to discern the relative importance of the causes, whether they are increasing/decreasing in intensity, and to what degree these causes can be effectively acted upon (and by whom). Finally, we looked at the consequences of the problem, similarly grouping them by themes. It is important to try to understand both the qualitative and quantitative nature of these effects, including who are the most affected and whether these effects tend to grow or diminish over time. Once we have conducted a problem analysis, we are better able to address causes and mitigate effects—and, hopefully, reduce or eliminate the problem.

As people in our community continue to address this important issue, we provide a basic problem analysis to assist in these discussions.



## Problem Statement

***Lack of legal<sup>20</sup> child care available to meet the needs of working parents in Juneau***

## Causes

### RELATED TO HUMAN RESOURCES

#### *Cause A. Child care is an unattractive industry for providers and workers*

##### ***No health or retirement benefits available***

While there are always exceptions, child care work does not usually provide benefits. Providers may be covered by the health benefits of their spouses, but forgo building up a retirement investment in themselves.

##### ***Low child care salaries are not commensurate with the responsibilities and work involved***

According to the Alaska Department of Labor, child care workers in Southeast Alaska earn an average of \$10.74 per hour.<sup>21</sup> This translates into an annualized salary of \$22,340—45 percent below Juneau's average annual salary of \$40,380—meaning there are plenty of other more highly paid positions that child care workers could choose. Highly qualified child care workers have even more options. Elementary school teachers in Southeast Alaska, for example, earn an average annual salary of \$56,300.<sup>22</sup>

##### ***Long hours required***

Child care workers, especially owners of home child care businesses, typically work 50 hour weeks or more.

##### ***No breaks, sick leave, or vacation time***

Child care providers working by themselves have no opportunity to take breaks during the day. Providers usually have no sick leave, and may feel pressured to come to work sick, rather than canceling child care on their clients. Child care workers also have limited opportunities to take vacations as parents pressure providers to provide as much coverage as possible.

#### *Cause B. General lack of appreciation for child care workers by public, parents or government*

Child care workers generally have a low status in society. Parents are often not well educated regarding the low pay and high work associated with child care, and can be demanding and lacking in appreciation. While K-12 education is well funded, early childhood education in Juneau has not attracted the support of government and government funding.

#### *Cause C. Child care facilities find it difficult to attract and retain qualified staff*

Child care facilities are unable to offer attractive compensation packages to workers, which makes attracting and retaining qualified staff difficult. Facilities that cannot adequately staff their facilities must reduce the number of child care slots available.

<sup>20</sup> "Legal" child care means that a child care facility is State licensed or approved or has no more than four children.

<sup>21</sup> <http://www.labor.state.ak.us/research/wage/matrixcd.htm#21-1021>

<sup>22</sup> <http://www.labor.state.ak.us/research/wage/matrixt.htm>

## RELATED TO BUREAUCRACY

### Cause D: State Licensing requirements are burdensome.

#### *Time/effort requirements*

Child care licensing is critical to insure that children are being cared for in safe environments; however, some of the regulations surrounding child care licensing appear to be limiting the number of providers willing to take part in the state sanctioned child care system. Many providers feel that compliance with the regulations are needlessly time consuming and onerous, especially as licensing requirements come on top of already demanding time intensive child care jobs.

#### *Oversight*

Some providers note a perceived lack of support from child care licensing specialists themselves. Licensing specialists are not required to have home-visiting, customer service, or other special training to regulate early education facilities and sometimes lack sensitivity to the unique dilemmas providers face.<sup>23</sup>

### Cause E: There are few incentives to become licensed

#### *Lack of enforcement*

According to state law, child care operations with more than four children (not related to the provider) must be licensed, or are providing illegal care. However, because these operations are rarely reported to the State, this law is rarely enforced. Aside from legal compliance there are few other incentives for a provider to become licensed.

#### *Low state subsidy*

State support for Alaska's early education and child care system is currently extremely limited. While licensed providers do have access to State child care reimbursement funds, currently only a small percentage of parents qualify for that limited assistance. Providers also may be eligible for a \$32 per month per child grant; however, these paybacks are simply not enough incentive to become or remain licensed.

### Cause F: CBJ Allowable Use Permit discourages group homes

In order to change status from a family home (up to 8 children) to a group home (9 to 12 children) providers must apply for an allowable use permit from CBJ. The current process governing this has been criticized as expensive and time consuming for providers, especially when coupled with State regulatory requirements. The CBJ also has a couple other minor fees it levies on child care providers in Juneau.

## RELATED TO THE "BUSINESS" ASPECTS OF PROVIDING CHILD-CARE

### Cause G: Child care businesses have short life spans

Lack of sustainability surrounding child care operations exacerbates capacity shortages. Providers often enter into the child care service profession on a short term basis for two reasons:

<sup>23</sup> Health and Social Services staff note that applicants with early childhood education backgrounds are considered more desirable.

***Mom providers age out of system***

Providers are often mothers of young children themselves, begin child care operations when they have a child of toddler age, and end when their child begins kindergarten.

***Child care businesses harder, less profitable to run than expected***

Other providers enter into the child care industry, only to find that the overall efforts are larger than expected, the paybacks fewer, and close after a brief operational period (usually a year).

**Cause H: Business expertise amongst many entrepreneurs in child-care industry is inadequate.**

Providers often lack business expertise resulting in child care businesses that are not successful financially, and are therefore not sustainable.

**Cause I: Current enterprises enaaed in child-care are operating typically with low or no profit.**

Child care is not a highly profitable industry. Even providers with well organized enterprises are not likely to earn a salary commensurate with the time and energy invested in their child care businesses. Low profit potential makes it hard to attract and retain child care businesses in this community.

**RELATED TO THE ECONOMY**

**Cause J: Juneau has a low rate of unemployment**

The local unemployment rate (4.4% in 2007) is low, and many organizations (such as Juneau's box stores) are competing for the same entry level employees. Since child care is a low paying industry, the low unemployment rate makes it that much hard to attract qualified child care workers.

**Cause K: Juneau has a high cost of living**

Juneau is generally considered to have a high cost of living. According to the Alaska Department of Labor, the number of wage earners needed to buy an average house is 2.1 per house.

***Higher participation in workforce of parents***

The higher costs of living appear to have driven more parents of young children to participate in the workforce: 70% of Juneau's children under six have working parents (compared to 60% Alaska and nationally). Because of the greater participation in the workforce, the demand for child care is higher in Juneau.

***Cost of running child care businesses high***

Juneau's high costs translate into high operating costs of local child care facilities.

***Parents cannot afford to pay more***

Normally, high market demand and low supply of a commodity would lead to increased pricing. However, child care operations, while struggling financially themselves, have not priced their operations at a higher level because their customers include those least able to afford increased expenses. Currently the average cost of child care (for one child) in Juneau is 13 percent of the adjusted gross average income for a Juneau family with children. Providers don't feel they can charge enough to make operating a child care worthwhile.

## Consequences (or Effects)

### **CONSEQUENCE A: JUNEAU IS A LESS ATTRACTIVE PLACE TO RAISE FAMILIES**

Lack of child care makes Juneau an unattractive place for young families. The current child care situation is a source of tremendous stress for families with children of child care age, or those planning families. Wait lists of two years or longer mean child care availability drives workforce decisions for families rather than supporting workforce decisions. Families have left town over this issue, and other families have chosen not to move to Juneau after learning of the lack of child care.

### **CONSEQUENCE B: CHILDREN ARE POTENTIALLY IN UNSAFE OR SUB-STANDARD CARE**

#### Unlicensed facilities in high demand

There is concern that so many children in care outside of the regulatory care framework provides an unacceptable risk that children are being cared for in either unsafe environments or by workers who are a hazard to the children. Child care is licensed in Alaska in part because past abuses of children made it necessary and because the state recognizes that those who care for children must meet minimum health and safety standards, have a basic understanding of child development, and have a commitment to professional development. Children in unlicensed care are outside the system and cannot be protected by the State.

#### Parents accept substandard care because they feel they have no alternatives

Parents are unlikely to report illegal child care operations because they may have no other care options.

### **CONSEQUENCE C: THERE IS LACK OF QUALITY CARE OPTIONS**

#### Lack of Early Learning Programs

Early learning happens in all care environments whether they are at home, in family child care, or through a pre-school program. High quality child care offers children engaging opportunities to learn through play, establish positive social skills with peers and adults, become familiar with life outside of the home, and may include an academic curriculum. A lack of child care availability also means a lack of high quality programs. Parents in Juneau have minimal options to place their children in facilities that provide high quality engaging learning opportunities. Too few high quality early learning opportunities mean that some children are entering kindergarten at a disadvantage, and already behind.

#### Not catering to needs of child

Even within the regulated (state licensed or approved) child care system, care facilities may not serve the best interests of particular children very well, but parents do not have the flexibility of finding best placement scenarios for their children. There are also numerous cases of children shuttled around—up to three times per day every day—to attend different child care facilities due to availability.

### **CONSEQUENCE D: JUNEAU'S BUSINESS COMMUNITY FACES INCREASED OBSTACLES TO SUCCESS**

Juneau's low unemployment rate means that employers are looking to hire from a small pool of available labor. Increased child care would increase the Juneau labor pool, and increased child care options—such as off hour child care options—would increase the ability of Juneau parents to better meet the labor needs of Juneau's business community. There are currently 1,800 parents of children under the age of six in Juneau. Less than a quarter of that group (24 percent) is currently served by licensed child care.

## Appendix I: Provider Costs

### Juneau Child Care Centers—Average Revenues and Expenses

#### Revenues

Parent Paid Tuition	\$231,200
Child Care Assistance Income	56,100
Child Care Food Program	6,800
Child Care Grant	12,900
Other Income	<u>14,300</u>
<b>Total Revenues</b>	<b>\$321,300</b>

#### Expenses

Wages and Benefits	\$230,000
Rent or Mortgage	14,000
Utilities	7,000
Maintenance	400
Other Fixed Operating Expenses	40,000
Food and Consumables	<u>24,000</u>
<b>Total Expenses</b>	<b>\$315,400</b>

#### Earnings

**\$5,900**

**Expenses per Child - \$8,500**

**Size of facility - 2,900 square feet**

**Average # of children - 37**

**Average # of Staff - 8**

**Revenue per Child - \$8,700**

**Daily Hours of Operation - 10.2**

**Hours per Child per Day - 9**

**Annual Days of Operation - 242**

Child Care Centers are defined by the State as child care facilities for thirteen or more children. The business model of a for-profit is quite different than that of a non-profit, so averages only tell part of the story. These averages are based on three centers interviewed in Juneau, which ranged in attendance from 27 to 54 children. Tuition ranges from \$645 per month to \$967 per month.

Non-profit centers reported annual losses (despite best efforts to contain costs). One center pays reduced rent but has a high cost of employee benefits, including health insurance. The centers had a high amount of bad debt from parents who were not able to keep current with their child care expenses. To make ends meet, one center invests a significant amount of time in fund raising. Funding has not been available for needed renovations and improvements at the facility. A for-profit child care center interviewed is located in the owners' residence so a portion of household expenses can be written off for tax purposes. That business provides a profit to the owners (included in above earnings, but averaged with losses from non-profits).

Annual payroll costs vary from \$15,167 to \$31,412 per person. Employees include teachers with degrees and certificates who are paid much lower wages than they could earn at the school district. All centers report a difficulty finding quality staff. Centers have lost staff over the years to the school district since they can't afford competitive pay or benefits. Centers have staff costs as high as 87% of their budget and say that finding good quality and experienced staff is challenging. According to one director "The lion's share of our budget goes into staff and it is hard to get people as talented and devoted as we want to care for our children with what we can afford to pay them." Nikki Morris, referral counselor for AEYC, states "There has been a trend in child care centers to lower capacity since they are having a difficult time staffing." She learned recently that one center in Juneau dropped over forty spots for children due to their staffing shortage. Only one of the centers receives reimbursement from the food program but all receive the state Child Care Grant.

## Group Home Child Care—Average Revenues and Expenses

### Revenues

Parent Paid Tuition	\$53,400
Child Care Assistance Income	11,300
Child Care Food Program	4,700
Child Care Grant	<u>2,300</u>
<b>Total Revenues</b>	<b>\$71,700</b>

### Expenses

Wages and Benefits	\$10,300
Rent	7,200
Utilities	5,100
Other Fixed Operating Expense	9,400
Food and Consumables	<u>10,400</u>
<b>Total Expenses</b>	<b>\$42,400</b>

**Earnings (includes owners salary) \$29,300**

**Expenses per Child \$4,400<sup>24</sup>**

**Size of facility –1250 square feet**

**Average # of children – 9.7**

**Average # of Staff - .6**

**Revenue per Child - \$7,400**

**Daily Hours of Operation – 9.8**

**Hours per Child per Day - 9.2**

**Annual Days of Operation - 247**

Group homes are usually in occupied residences and accommodate nine to twelve children and are usually operated by the business owner and one staff member. A group home can have up to ten children with only one adult if the adult has training and experience.

Owner's profits were between \$23,000 and \$38,000 per year, which for a 60 hour week equates to between \$9.20 and \$15.20 per hour given the number of days they are open. Their staff was paid approximately \$7.50 per hour. One group home had no staff, one had part time staff and one had full time staff. A business owner noted, "This industry attracts young, single people who don't have any benefits. They also get sick a lot due to their contact with numbers of children."

One of the group homes paid rent for their facility, but the other two operated out of their homes and were able to deduct home expenses for tax purposes. All of the programs received the state Child Care Grant and reimbursement from the food program.

The amount spent on children's supplies for art and activities varied from \$850 per year to \$4,800 per year. Revenue per child varied from \$5,500 to \$9,000 per year. The provider with the highest rates was getting ready to raise her rates again and has a waiting list for her program. She also spends the most per child on supplies and activities.

According to Joy Lyon, Director of AEYC-SEA, the group home is an ideal situation. There is a good ratio of one adult per six children, the owner can write off a significant amount of their home expenses, they get the highest rate of reimbursement from Child Care Assistance, and it's still in a home setting, which can be more comfortable for young children. One down side is the challenge of getting a conditional use permit that is needed from the city to operate the group home.

<sup>24</sup> Owner's salary is EXCLUDED from this figure.

## Juneau Family Child Care Homes -Average Revenue & Expense

### Revenues

Parent Paid Tuition	\$33,200
Child Care Assistance Income	13,500
Child Care Food Program	2,700
Child Care Grant	900
<b>Total Revenues</b>	<b>\$50,300</b>

### Expenses

Wages and Benefits	\$0
Rent	7,000
Utilities	900
Other Fixed Operating Expense	5,600
Food and Consumables	8,400
<b>Total Expenses</b>	<b>\$21,900</b>

**Earnings (includes owners salary) \$28,400**

**Expenses per Child - \$3,650<sup>25</sup>**  
**Size of facility -1160 square feet**  
**Average # of children - 6**  
**Average # of Staff - 0**

**Revenue per Child - \$8,400**  
**Daily Hours of Operation - 10**  
**Hours per Child per Day - 9**  
**Annual Days of Operation - 238**

Child care homes are defined as facilities, usually in occupied residences, for no more than eight children. The homes that were interviewed have between 3.5 full-time children and eight children and charge between \$544 and \$900 per month. Income for these single person operated homes ranges from \$28,000 to \$40,000 annually or \$11.66 to \$16.00 per hour. Owners keep their costs down by operating out of their homes and can take tax deductions for the home, but have long and often stressful days.

According to Nikki Morris at AEYC, mothers often start child care homes because they can't find care for their own children or they want to stay home with their young child while still adding to the family income. Of the 31 child care homes she does referrals for, she is aware of 16 of them who have young children of their own that they are also caring for.

Ms. Morris has found that the average rate of turnover among family child care homes is around 50% per year. She says it's because the new providers find out it's not what they thought it would be like; it doesn't fit in well with their family, it is long hours, low pay for the level of responsibility, parents don't always pay their provider in full, and it's hard for these providers to do collections.

Of the sixty-eight business licenses in Juneau for child day care, thirty-two were first issued in 2008. Ten of the businesses are at least five years old and only seven of those are ten years or older. What is not known is how many businesses are operating illegally, without either of the required licenses.

The recordkeeping of the child care homes seemed the least professional and current. Numerous providers were contacted before finding five who had the time and had enough information to provide for the interview. All providers complained about the burdensome paperwork required by licensing, questions were often repetitive, and that there was turn-over among licensing agents, causing delays and confusion.

From examining the data obtained, it appears that by raising prices and improving business skills, the lower paid business owners could increase their compensation. Business training could assist these child care providers in making the best financial choices for their child care home.

<sup>25</sup> Owner's salary is EXCLUDED from this figure.

This article looks at the determinants of job turnover among mothers of infants, using intentions to change jobs or exit the labor force assessed at 1 year postpartum among a sample of 246 employed mothers. Hypotheses were that exit intentions should be more influenced by household factors determining labor supply and other personal characteristics indicating job attachment. Additionally, whereas both types of turnover intentions should decrease as workplace supports for mothers increase, child care satisfaction should affect exit intentions more than intentions to change jobs. Results showed support for the notion that labor force exits are more strongly influenced by child care problems and measures of job attachment than are job changes, though models correcting for selectivity reveal that the child care problems are not directly influencing exit intentions. Supervisor and co-worker support impede intentions to both exit the labor force and change jobs. However, other dimensions of workplace support affected intentions to exit and intentions to change jobs differently.

## **Workplace Support, Child Care, and Turnover Intentions among Employed Mothers of Infants**

JENNIFER L. GLASS

SARAH BETH ESTES

*University of Iowa*

Studies of women's job mobility and the gender gap in wages frequently allude to the importance of childbearing interruptions in explaining women's inferior position in the labor force. Labor force intermittency is thought to reduce women's wages by reducing their job experience, opportunities for training and placement within firm internal labor markets, and possibly depreciating their human capital. Although recent studies show a significant drop in the extent to which women leave the labor force to bear children (DeSai & Waite, 1991; Waite, Haggstrom, & Kanouse, 1985), child care responsibilities continue to exert a significant influence on women's labor force continuity. Investigations of women's job mobility frequently focus on the period immediately following birth; in contrast, the present study will focus on the future work intentions of

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those women who maintained labor force participation during the 1st year postpartum. The reason for this shift in emphasis is twofold: (a) Most job quits by women of childbearing age do not occur in conjunction with a birth but do occur more often among women with young children (Felmlee, 1984; Glass, 1988), and (b) studies of child care and women's labor force participation show that child care problems and job-family conflicts often force women to leave employment for varying periods of time until scheduling or child care problems can be resolved (Love, Galinsky, & Hughes, 1987; Presser & Baldwin, 1980).

Earlier research using the data presented here analyzed the determinants of labor force withdrawals and job changes following childbirth (Glass & Riley, 1994) and found that over 80% of respondents returned to some form of employment during their 1st year postpartum. However, 11% of these workers reported that they were likely to quit the labor force in the coming year, whereas another 25% intended to change jobs in the near future. Clearly, these figures indicate that a substantial amount of job turnover and labor force intermittency may occur even for individuals who maintained labor force participation across a childbearing event. Therefore, this article will focus on the determinants of future work intentions among employed mothers of infants.

## BACKGROUND

The most important demographic shift in the labor force over the past century has been the increasing labor force participation of mothers. In recent decades, the most dramatic shift has been the increasing labor force participation of mothers of young children, infants in particular (U.S. Bureau of the Census, 1992), and the failure of childbearing to begin a period of labor force withdrawal for the majority of employed women (DeSai & Waite, 1991; O'Connell, 1990). Yet this notable increase in women's labor force attachment masks the still considerable difficulties faced by employed mothers of young children in the management of job and family responsibilities (Hewlett, 1987; Hochschild, 1989) and the extent to which this increase in labor supply has been involuntary. For example, attitudinal surveys show that most American mothers prefer that their children be cared for by a parent rather than substitute provider (Mason & Kuhlthau, 1989) and that substantial numbers of mothers of infants are employed because they are single, divorced, or partnered to men whose earnings are low (O'Connell, 1990).

In the data used here, 28% of the sample of pregnant employees preferred to withdraw from the labor force postpartum but actually continued employment. Another 31% wanted to work only part-time, but planned full-time employment postpartum. Thus the general increase in mothers' labor force participation has been accompanied by increasing pressure on mothers to provide financially for their families despite their professed desires to also care for their own children. Coupled with shortages of high quality affordable child care (Hofferth & Phillips, 1987; Presser, 1989) and work environments that are not especially hospitable for mothers of infants (Glass & Camarigg, 1992), it should not be surprising that substantial numbers of employed mothers of very young children express intentions to change jobs or quit the labor force entirely if they can.

Theoretically, these facts lead to the conclusion that patterns of intermittency and job mobility in mothers' employment may not disappear as mothers' labor force attachment grows but may change dramatically in character. In previous decades, work interruptions were structured by normative constraints against the employment of mothers of infants (including employer discrimination) and the lack of child care services for very young children. This normative pattern was bolstered by relatively high wages for men, lower wages for women, and lower rates of divorce and out-of-wedlock childbearing. In contrast, mothers today may face greater financial constraints and marital instability, which would make labor force withdrawals contingent on the availability of unearned income or other family support. Thus withdrawals would be less predictable in their timing and duration and less likely to occur in conjunction with childbirth *per se*. Moreover, withdrawals of long duration should diminish significantly and job changes (perhaps with a period of brief unemployment in between) should increase. Both withdrawals and job changes should be increasingly structured by the absence of workplace supports and dissatisfaction with child care arrangements. Finally, job moves should be more dependent on mothers' wage rates and less dependent on family composition or partner's income (trends that have been demonstrated empirically in Mroz, 1987; Klerman & Leibowitz, 1994).

Similarly, the normative climate of support for full-time mothering in the early years of life has disintegrated into a number of competing maternal ideologies that each claim substantial numbers of adherents (Glass, 1992). Some women remain traditional in their desire to stay home full-time to devote themselves to child care, whereas others support shared parenting and full-time employment for mothers. Somewhere in the

middle lies a substantial portion of women torn between these two polarities, who prefer some-type of employment but are suspicious of nonmaternal child care in the first few years of life (Greenstein, 1986).

In the present study, we will draw on the preceding analysis to focus specifically on workplace support and child care satisfaction as factors that should differentiate movers and stayers among employed mothers, controlling for family composition and partner's income. We separate intentions to quit the labor force from intentions to change jobs, hypothesizing that intentions to quit the labor force should be more closely related to family characteristics and income opportunities for the mother and father, as well as mothers' traditionalism and preference for homemaking. However, we believe that both intentions to change jobs and to leave the labor force should be affected by workplace policies and child care arrangements. Specifically, benefits or personnel policies that reduce job-family conflict should decrease quit intentions, as should social support from supervisors and co-workers. Satisfying, affordable child care arrangements should also decrease quit intentions, although we suspect these might have stronger effects on intentions to leave the labor force than intentions to change jobs. Because most child care arrangements are independent of any particular job, difficulties with child care may not be resolved by taking a different job (unless, of course, the work schedule of the current job is causing the child care difficulty). However, leaving the labor force is sure to eliminate problems with substitute care.

## DATA AND METHODS

The data analyzed here come from a longitudinal sample of 324 women employed at least 20 hrs a week during the first trimester of pregnancy. Respondents were recruited from prenatal hospital records in northern Indiana in 1991 and 1992. Area hospitals served an approximate 60-mile radius, including southwest lower Michigan and north central Indiana, and provided an exhaustive sampling frame because they were the only sources of maternity care in the county and drew significant numbers of women from surrounding rural counties. Any bias in the sample is likely to stem from the disproportionate omission of poor, marginally employed, or transient respondents. The survey had an effective response rate of 70% of those in the initial sampling frame, 81% of those successfully contacted for an interview. At the time of the initial interview, respondents were either in their last trimester of pregnancy or, occasionally, their 1st month postpartum.

Descriptive statistics indicate that the mean age of the sample was 28, 51% were experiencing a first birth, 10% listed a non-White ethnicity, and 91% were married or living with their partner. Regular hours at work averaged 38.6 per week for the sample, and respondents reported mean annual earnings of \$18,451. These statistics are quite close to national large sample estimates for women employed the year prior to the birth of a child (Garrett, Lubeck, & Wenk, 1991).

The prenatal interview contained extensive information on the respondent's primary job or last job held, the respondent's family situation, and demographic variables, as well as future work preferences and intentions. Respondents were then recontacted at 6 and 12 months postpartum to ascertain their current job status and child care arrangements. The 6- and 12-month follow-ups captured 94% and 93% of the original sample, respectively. Data on child care and working conditions for the job held at 12 months postpartum were used for this study. After deleting 11 cases with missing data, 246 cases of mothers employed at 12 months postpartum were available for analysis.

#### MEASUREMENT OF VARIABLES

##### Quit Intention

Future work intentions measured at 1 year postpartum were assessed by the following questions: How likely is it you will make a genuine effort to find a new job with another employer in the next year? and How likely is it that you will leave your present job to become a full-time homemaker in the next year? Response categories for both questions were 1 (*not at all likely*), 2 (*somewhat likely*) and 3 (*very likely*), but for purposes of analysis they were combined into 0 (*not likely*) and 1 (*somewhat or very likely*). The categories of 2 and 3 were combined for two reasons. The *ns* for the separate categories were too small to accommodate separate analyses (for exit intentions, the *ns* were 5 and 21, whereas for change intentions the *ns* were 35 and 33). Additionally, it makes more substantive sense to include the category of somewhat likely with those likely to quit than to group them with respondents indicating no intention of quitting their current job. Responses to both questions were then combined into one 3-category variable representing the respondent's future work intention—same job, new job, or homemaker. In six cases, respondents indicated that they were likely to both change jobs and quit the labor force entirely. These six cases were allocated according to their strongest preference; if both destination

statuses were equally likely, they were randomly assigned to one status or the other. The resulting distribution for the dependent variable given in Table 1 shows that there were 65 women indicating an intention to change jobs, 26 women indicating an intention to quit the labor force, and 155 women who intended to stay in the same job.

The independent variables represent the three key areas of (a) family status and personal background, (b) child care arrangements, and (c) workplace support, subdivided into macrolevel organizational characteristics and microlevel working conditions and interpersonal support.

### **Family Status and Personal Background Variables**

Respondent's age, marital status (married or living with partner), partner's income, respondent's hourly wage, number of children, and presence of other preschool-aged children were all included as family or sociodemographic controls.<sup>1</sup> In addition, a measure of traditional family ideology (agreement that it is best for all concerned if the man earns the money and the wife stays home to care for the home and children) was included here as a way of tapping belief systems about the appropriateness of mothers' employment. Prenatal work preference (to be a homemaker or change jobs postpartum, as opposed to staying at one's current job) was also used here to augment the measurement of mother's job commitment. A years of education measure was added to control levels of individual human capital.

### **Child Care Variables**

The three basic dimensions of child care that are thought to affect turnover are amount, cost, and quality. Although we asked respondents to provide the total number of hours their new child spent in nonfamilial care, that variable was highly correlated with mother's hours of employment, so it was dropped from the analysis. We did, however, test a dummy variable measuring whether their infant spent more than 40 hrs a week in nonmaternal care in several models. Cost was measured in dollars per week (for all children requiring care) and quality was ascertained by asking respondents to rank their satisfaction with their present child care arrangement on a scale from 1 to 4. Additionally, a variable measuring the number of different types of child care respondents utilized (father care, relative care in home or out, formal care in home or out, and other) was created, under the assumption that multiple forms of care are both more difficult to coordinate and more susceptible to breakdown. Finally,

**TABLE 1**  
**Means and Standard Deviations for Variables in the Analysis**

	<i>Mean</i>	<i>Standard Deviation</i>
Age	28.96	4.49
Education	14.55	2.58
Married/living together	.92	.27
Child under 6 (1 = <i>present</i> )	.34	-.47
Hourly wage	10.91	5.67
Partner's income (in thousands)	25.55	16.92
Gender traditionalism (1 = <i>low</i> , 4 = <i>high traditionalism</i> )	1.73	.81
Prefer change postpartum	.20	.40
Prefer home postpartum	.33	.47
Child care satisfaction (1 = <i>dissatisfied</i> , 4 = <i>very satisfied</i> )	3.56	.74
Child care cost (in dollars)	53.26	45.082
Father provides child care	.18	.38
Percentage of mothers in job category	20.44	26.51
Job flexibility (1 = <i>any form</i> )	.87	.34
Work at home possible	.24	.43
Social support (1 = <i>low</i> , 5 = <i>high support</i> )	2.89	.88
Sick leave available	.70	.46
<b>Frequencies for the dependent variable and its components</b>		
Intentions to change jobs		
1 = <i>very likely</i>	1 = 35	
2 = <i>somewhat likely</i>	2 = 33	
3 = <i>not at all likely</i>	3 = 176	
Intentions to leave labor force		
1 = <i>very likely</i>	1 = 5	
2 = <i>somewhat likely</i>	2 = 21	
3 = <i>not at all likely</i>	3 = 220	
Quit intentions		
0 = <i>stay in job</i>	0 = 155	
1 = <i>change jobs</i>	1 = 63	
2 = <i>exit labor force</i>	2 = 26	

NOTE:  $N = 246$ .

dummy variables representing each mother's primary form of child care were constructed (father care, relative care, formal care, and other).

### Workplace Support Variables

These variables were subdivided into those organizational and occupational variables that might affect the extent to which workers' family needs would be supported by the employing organization and job level variables measuring on-site working conditions and social support from supervisors and coworkers. On the organizational side, measures of work-

place size (number of employees); unionization (whether respondents' job was represented by a labor union), percentage of females in the respondent's job category, and percentage of mothers in the respondent's job category were the four variables used to indicate whether employers had any motivation or capacity to attend to the job and family conflicts of employees. We also included occupational and industry categorical variables to test for any gross effects of occupational sector or industry location.

The most direct measures of workplace support came from questions about the respondent's specific job or work site. The following four working conditions were measured with single-item dichotomous questions to assess support for employed mothers: whether the respondent was able to work regular hours at home, whether the respondent could work part-time, whether she had ever received a promotion with her current employer, and whether a future promotion was likely. In addition, social support from supervisors and coworkers was measured with a scale (alpha reliability of .67) combining five items—three dealing with the extent to which supervisors were rated as supportive or mentioned as positive aspects of the respondent's job, and two dealing with the extent to which co-workers were rated as supportive or mentioned as positive aspects of the job. Additionally, unusual work scheduling was measured with a dummy variable indicating the presence of any of the following: an evening or night shift, a rotating shift, or mandatory overtime. A job flexibility variable registered positive responses to any one or more of the following items:

- I decide when I take breaks on my job.
- It would be very hard for me to change the days I wanted to work (reverse coded).
- It would be very hard for me to change the hours I wanted to work (reverse coded).
- It would be very hard for me to take time off during my work day to take care of personal or family matters (reverse coded).

Finally, we also created a summary child care assistance measure coded 1 if the respondent received any form of child care assistance from her employing organization (child care referral and information, child care vouchers or money, or on-site care—all measured as dichotomous variables). To augment that measure, we also included a variable indicating whether the respondent could use sick leave to care for sick family

members. Descriptive statistics for the variables ultimately used in the analyses are listed in Table 1.

### **Analysis of Data**

Multinomial logistic regressions were run to simultaneously model the two important contrasts constituting the dependent variable of future work intention: (a) the log odds of intending to quit the labor force rather than stay with one's current employment and (b) the log odds of moving to a new job rather than staying with one's current employment. First, family status, personal background, and child care variables were entered into the equation as a block. Then, the sets of organizational characteristics and workplace support were added sequentially. Because of the limited sample size and the large number of potential independent variables, the models shown in each block uniformly include only those variables showing statistical significance in any model specification or necessary as sociodemographic controls. The final model for each contrast in column 4 was constructed by entering the variables within each block in stepwise fashion, keeping only those variables showing statistical significance at any point in the stepwise selection process. To check on the robustness of this cross-sectional analysis, the four models were reestimated using a correction for selectivity bias in the sample of employed mothers of infants.

## **RESULTS**

Results for all models are presented in Table 2. Model 1 displays the coefficients for the family background and child care variables only. Model 2 adds the first block of organizational variables, and Model 3 adds the block of working conditions and interpersonal support. Model 4 is the composite model derived from the previous three steps.

Turning first to Model 1, results show that intentions to change jobs were negligibly affected by background and family status variables and were unaffected by child care cost and satisfaction. Age and marital status both served to significantly inhibit change intentions. Presumably, the propensity to change jobs declines as age increases. Thus it follows that change intentions would also decline. Having a partner may impede change intentions because the increased financial responsibility that at-

**TABLE 2**  
**Log Odds of Changing Jobs vs. Staying With Same Employer (Change)**  
**and of Quitting Labor Force vs. Staying With Same Employer (Exit)**

<i>b</i> (SE)	<i>Model 1—Background Family Status and Child Care Variables</i>		<i>Model 2—Occupational Characteristics Variables</i>		<i>Model 3—Working Conditions and Social Support Variables</i>		<i>Model 4—Final Model</i>	
	<i>Change</i>	<i>Exit</i>	<i>Change</i>	<i>Exit</i>	<i>Change</i>	<i>Exit</i>	<i>Change</i>	<i>Exit</i>
Age	-.078† (.041)	-.041 (.058)	-.082* (.041)	-.035 (.060)	-.094* (.045)	-.047 (.066)	-.096* (.045)	-.046 (.067)
Education	.062 (.079)	.090 (.117)	.047† (.080)	.105 (.119)	.106 (.084)	.165 (.133)	.088 (.085)	.184 (.136)
Married/living together	-1.067† (.606)	9.799 (188.800)	-1.151† (.623)	9.784 (187.300)	-1.169† (.623)	9.590 (187.300)	-1.275* (.642)	9.635 (184.100)
Child under 5	-.315 (.386)	-.536 (.572)	-.132 (.399)	-.749 (.603)	-.387 (.405)	-1.053 (.654)	-.171 (.419)	-1.373† (.717)
Hourly wage	-.029 (.036)	-.055 (.053)	-.018 (.037)	-.070 (.055)	-.038 (.038)	-.061 (.058)	-.024 (.038)	-.073 (.060)
Partner's income (in thousands)	.011 (.012)	.042** (.016)	.012 (.012)	.043** (.016)	.015 (.013)	.047** (.018)	.016 (.013)	.048** (.018)
Gender traditionalism	-.082 (.221)	.794** (.283)	-.055 (.223)	.761** (.286)	.015 (.232)	.920** (.307)	.036 (.234)	.908** (.310)
Prefer change postpartum	1.115** (.414)	-.999 (.817)	1.045* (.418)	-1.067 (.830)	.985* (.429)	-1.179 (.831)	.915* (.433)	-1.289 (.849)
Prefer home postpartum	1.35 (.419)	-.733 (.580)	.192 (.423)	-.727 (.589)	-.003 (.435)	-.815 (.630)	.053 (.442)	-.740 (.638)
Child care satisfaction	.036 (.235)	-.543† (.295)	.052 (.235)	-.562† (.301)	.128 (.247)	-.543† (.325)	.144 (.248)	-.550† (.330)
Child care cost	-.007 (.005)	-.011† (.007)	-.006 (.005)	-.012† (.007)	-.008 (.005)	-.011 (.008)	-.007 (.005)	-.012 (.008)
Father provides child care	-.945† (.528)	-.868 (.740)	-.834 (.535)	-.995 (.751)	-1.084* (.549)	-1.238 (.801)	-.992† (.561)	-1.273 (.796)
Percentage of mothers in job category			-.017* (.009)	.011 (.008)			-.020* (.009)	.011 (.009)
Job flexibility					.199 (.497)	1.085 (.874)	.299 (.501)	.855 (.888)
Work at home possible					-.767 (.474)	-1.399* (.696)	-.838† (.479)	-1.377* (.700)
Social support					-.386† (.209)	-.735* (.326)	-.366† (.212)	-.795* (.339)
Sick leave available					-.813* (.372)	-.742 (.549)	-.864* (.377)	-.771 (.558)
<i>R</i>		.15		.17		.20		.22

NOTE: N = 246.

†p < .08; \*p < .05; \*\*p < .01.

tends the birth of a child is better met with two incomes than with one. Because married women have their spouse's income to augment their own, they may have less of a financial impetus to pursue a new job than do unpartnered women.

Prenatal intentions to change jobs were also significantly associated with intentions to change jobs at 12 months postpartum. Perhaps some respondents felt constrained to stay in their prenatal job to obtain medical or leave benefits for childbearing, or perhaps a common response bias affects both prenatal and postpartum quit intentions. However, most of the women with prenatal quit intentions had already quit their prenatal job and were reporting on a new job at 12 months postpartum, indicating their personal propensity to change jobs frequently to search for more satisfactory employment. Finally, father care as the primary child care mode serves to impede job changing. Job changing in this context might disrupt a carefully orchestrated work schedule that makes father care possible.

In contrast, intentions to leave the labor force were associated with partner's income and gender traditionalism (both of which increased the odds of quitting) as well as child care satisfaction and child care cost (which decreased the odds of quitting). Although the inverse relationship between child care cost and odds of quitting the labor force may appear to be counterintuitive, a closer look suggests that individuals who pay more for child care are those in well-paying jobs exhibiting greater job attachment and thus are less likely to quit the labor force. All told, these results provide some support for our original hypothesis that intentions to leave the labor force should be more strongly affected by child care satisfaction, gender traditionalism, and respondent/partner wages than intentions to change jobs. However, respondent's wage did not predict the odds of leaving the labor force, all else equal, nor did the other measures of attachment (prenatal intention to leave the labor force).

Other model specifications that were explored included a dummy variable measuring child care equal to or in excess of 40 hrs a week, a count of the types of child care used, and a series of dummy variables representing father care, relative care, formal care, and other types of care. These variables were not only unrelated to change or quit intentions but their inclusion did not affect the other coefficients in Models 1-4. Thus they were dropped from the analysis. Father care was retained because of its substantive importance (see Maume & Mullin, 1993, for evidence that father care encourages mother's job quitting) and because preliminary analyses showed that its effects on intentions were most different from the other categories of care, although not reaching statistical significance.

Model 2 displays the results for the second specification adding organizational variables thought to increase workplace support. Unionization, firm size, occupation and industry sector, and percentage of females in the respondent's job showed no effects for either form of job leaving and were dropped from further consideration. However, percentage of mothers in the respondent's job category decreased job changing but not intentions to leave the labor force. Because percentage of females did not affect intentions to change jobs, we suspect that the percentage of mothers does not reflect the power of employees in the workplace to mold policy but instead serves as a proxy for social support at the workplace or for unmeasured variables that indicate the compatibility of that job with motherhood.

Turning to Model 3, results show that some, but not all, supportive working conditions negatively affected quit intentions. The measures of social support from supervisors and co-workers consistently decreased both intentions to change jobs and withdraw from the labor force. The other determinants of exit and change intentions diverged from here. The ability to work at home decreased exit intentions, and the availability of sick leave for family members decreased change intentions. None of the other workplace supports (child care assistance, ability to work part-time, likelihood of promotion, absence of unusual work hours) affected respondents' work intentions and all were eliminated from consideration. The inclusion of workplace support variables served also to eliminate the effect of child care cost on change intentions. This suggests that supportive working conditions are associated with higher expenditures on child care, again due to the generally positive association between wages and working conditions.

Finally, Model 4 includes all the variables showing effects in stages 1-3. This comprehensive model shows the robustness of most previously specified effects. In this model, the demographic factors of age and marital status, the child care variable of father care, the occupational characteristic variable of percentage of mothers in the job, and the support variables of workplace social support and sick leave for family illness all served to decrease change intentions, whereas prenatal change intentions increased the log odds of change intentions. The ability to work at home emerged as an inhibitor of change intentions in the full model, as well.

Robust effects were also demonstrated in the models of labor force exit intentions. The presence of additional young children, though not significant in Model 1, was significant in the final three models and exerted an inhibiting effect on intentions to exit the labor force. That women with

TABLE 3  
Selection Model for Postpartum Labor Force Status

<i>Variables Measured Prenatally</i>	<i>b (SE)</i>
Constant	-.026 (.943)
Child under 6	-.435 (.410)
Married/living together	-.686 (.480)
Gender traditionalism	-.103 (.115)
Partner's income	-.011 (.008)
First birth	-.562 (.395)
Education	.101* (.050)
Hourly wage	.044† (.026)
Hours worked per week	.007 (.012)
Temporary job	-.335 (.365)
Employer tenure	-.013 (.031)
Job interest and challenge	.063 (.039)
Received promotion in past	.063 (.215)
Days off for maternity leave	.005 (.004)
Mandatory overtime	-.174 (.252)
Schedule flexibility	.174 (.268)
Sick leave for family members	-.110 (.221)
Social support	.001 (.108)

NOTE:  $N = 294$ ;  $R = .12$ ; chi-square/degrees of freedom = 31.46/17.

more young children were less likely to plan to leave the labor force is consistent with findings of recent research showing that increasing numbers of young children represent added financial responsibility for mothers (Rosenfeld & Spenner, 1992). Additionally, partner's income and gender traditionalism remained positively associated with exit intentions. Finally, child care satisfaction, ability to work at home, and workplace social support all served to decrease exit intentions in this final model.

Working conditions were hypothesized to have similar effects on change and quit intentions. To test the equivalence of these effects, we performed a *t*-test for the difference in coefficients across the change and quit coefficients for social support and the ability to work at home.<sup>2</sup> In line with our hypotheses, these tests revealed that the effects of social support and the ability to work at home on change and quit intentions do not differ in magnitude.

From this, we glean that our original hypotheses concerning the importance of child care for labor force exits, and social support variables for both exiting and changing jobs, are supported. Our expectation that respondents' wages would predict change/exit behavior remains unsubstantiated.

However, these results are biased in that the sample is restricted to women remaining in the labor force following childbirth. The data used here offer a correction to this selectivity bias from the subsample of women who did not return to the labor force following the birth of their child. Using Heckman's correction procedure, we created a lambda variable that measured the respondent's probability of being in the labor force at 12 months postpartum, based on prenatal job and family characteristics. The sample selection equation shows that women in better quality jobs with higher levels of human capital were more likely to continue employment following childbirth. Turnover intention models correcting for sample selection bias are thus adjusting the effects of job and family variables to reflect the behavior of women in lower quality jobs. These models controlling for postpartum labor force status reveal a slightly different story.

Results in Table 4 show that in the selection model for change intentions, the age, marital status, proportion of mothers in job, and available sick-leave effects remained the same, the relationship between prenatal change preferences and preferences at 1 year postpartum weakened, and the effect of workplace social support increased slightly. However, the negative effect of father care on intentions to change jobs disappeared in all but one of the models correcting for selectivity bias.

Turning to the labor force exit model, the selection correction brought forth one hypothesized relationship and obscured another. Workplace social support remained negatively associated with exit intentions. Partner's income also remained a significant positive influence. However, along the lines of our hypothesis, respondent's hourly wage did show a significant ( $p = .057$ ) negative influence on exit intentions in the final model (column 4). Although the demographic factor of partner's income still played an important role in encouraging intentions to leave, mothers' wages emerged as an important factor in exit intentions once the bias toward high wage earners was corrected.<sup>3</sup> Finally, the insignificant result for child care satisfaction shown in Models 3 and 4 suggests that it may be endogenous with respect to workplace social support. Although the coefficient for child care satisfaction was significant in the first two models, with the addition of support variables in Model 3, the effect of child care satisfaction on labor force exit was attenuated to insignificance. It remained insignificant in the final model. Perhaps child care arrangements for these women are satisfactory in part because they could either alter work to avoid child care problems or could choose the child care they desired because supervisors and co-workers supported whatever schedule changes the mother needed to arrange that care. In this scenario, child care satisfaction remains an important factor with regard to turnover, but child

**TABLE 4**  
**Selection Model of Log Odds of Changing Jobs vs. Staying With Same Employer (Change) and of Quitting Labor Force vs. Staying With Same Employer (Exit)**

<i>b</i> (SE)	<i>Model 1—Background Family Status and Child Care Variables</i>		<i>Model 2—Occupational Characteristics Variables</i>		<i>Model 3—Working Conditions and Social Support Variables</i>		<i>Model 4—Final Model</i>	
	<i>Change</i>	<i>Exit</i>	<i>Change</i>	<i>Exit</i>	<i>Change</i>	<i>Exit</i>	<i>Change</i>	<i>Exit</i>
Age	-.070† (.042)	-.043 (.059)	-.075† (.042)	-.366 (.060)	-.082† (.045)	-.032 (.067)	-.089* (.045)	-.028 (.068)
Education	.097 (.083)	.070 (.127)	.075 (.085)	.089 (.129)	.148 (.090)	.121 (.143)	.123 (.092)	.134 (.145)
Married/living together	-1.346* (.659)	9.888 (187.400)	-1.353* (.673)	9.863 (186.200)	-1.587* (.691)	10.006 (179.700)	-1.622* (.711)	10.112 (177.700)
Child under 5	-.358 (.390)	-.581 (.580)	-.188 (.403)	-.787 (.610)	-.313 (.402)	-.635 (.610)	-.103 (.417)	-.835 (.646)
Hourly wage	-.018 (.039)	-.073 (.058)	-.014 (.039)	-.085 (.061)	-.025 (.041)	-.102 (.065)	-.017 (.041)	-.115† (.068)
Partner's income (in thousands)	.006 (.013)	.047* (.018)	.008 (.012)	.047* (.019)	.007 (.014)	.052* (.021)	.010 (.014)	.052* (.021)
Gender traditionalism	-.113 (.223)	.802** (.287)	-.082 (.225)	.765** (.289)	-.044 (.235)	.941** (.311)	-.007 (.238)	.898** (.312)
Prefer change postpartum	.962* (.431)	-.977 (.826)	.915* (.435)	-1.058 (.836)	.723 (.451)	-1.310 (.854)	.670 (.457)	-1.356 (.856)
Prefer home postpartum	.034 (.431)	-.679 (.589)	.101 (.435)	-.687 (.595)	-.163 (.449)	-.727 (.640)	-.103 (.457)	-.701 (.643)
Child care satisfaction	.059 (.236)	-.568† (.298)	.072 (.237)	-.579† (.304)	.200 (.249)	-.446 (.317)	.222 (.252)	-.448 (.321)
Child care cost	-.005 (.005)	-.010 (.007)	-.004 (.005)	-.011 (.007)	-.005 (.005)	-.011 (.008)	-.005 (.006)	-.011 (.008)
Father provides child care	-.867 (.532)	-.749 (.741)	-.755 (.537)	-.889 (.754)	-.950† (.549)	-1.117 (.789)	-.844 (.560)	-1.130 (.791)
Percentage of mothers in job category			-.017† (.009)	.011 (.008)			-.020* (.009)	.009 (.009)
Job flexibility					.328 (.517)	1.097 (.893)	.415 (.516)	.874 (.910)
Work at home possible					-.535 (.483)	-1.124† (.684)	-.632 (.489)	-1.108 (.688)
Social support					-.479* (.242)	-.722* (.340)	-.489* (.244)	-.708* (.345)
Sick leave available					-.827* (.388)	-.596 (.555)	-.856* (.389)	-.613 (.563)
Lambda	1.594 (1.332)	-.659 (2.002)	1.260 (1.342)	-.562 (2.076)	2.146 (1.425)	-.958 (1.438)	1.782 (1.438)	-.994 (2.354)
<i>R</i>		.15		.17		.21		.23

NOTE: *N* = 294.

†*p* = .10; \**p* = .05; \*\**p* = .01.

care satisfaction itself, like turnover, is affected by workplace social support.

## DISCUSSION

This analysis began with the goal of testing several hypotheses about the determinants of mothers' labor force plans at 1 year postpartum. First, we hypothesized that indicators of labor force attachment, such as family status (partner's income, mother's wage, and number and age[s] of children) and traditional gender ideology, should show a stronger relationship to intentions to exit the labor force than intentions to change jobs. Although marital status significantly decreased the odds of change intentions (but not exits), results showed that gender traditionalism, respondent's hourly wage and partner's income showed significant relationships to exit intentions but not job changes. Thus the hypothesis that household and family determinants of labor supply should affect intentions to exit the labor force more than intentions to change jobs is supported.

Our second hypothesis concerned our belief that workplace support should significantly decrease the odds of both types of job turnover, as substantial numbers of women report difficulties managing job and family responsibilities. Workplace support was operationalized at both the macro- and microlevels of operation; the former is indicated by organizational characteristics that raise the visibility of mothers' concerns and the latter by the presence of family responsive personnel policies and social support from supervisors and co-workers. Results here show that only one organizational variable consistently showed a relationship to turnover intentions—the percentage of mothers in the job category had a negative effect on job changing but no effect on labor force exits.

Our measures of family responsive policies and workplace social support fared somewhat better. Social support from supervisors and co-workers and the ability to work at home each decreased the odds of leaving the labor force, and workplace social support and sick leave for family members showed significant negative effects on job change intentions. Although workplace social support is an important determinant of both job change and exit intentions, we can only speculate as to why the other type of support that affected job change and exit intentions differed. If labor force exits are conceptualized as a pathway to meet a mother's desire to be at home, it follows that the ability to work at home might inhibit exit intentions. In this way, women who would like to be at home can accomplish this goal while working. Alternatively, the availability of

sick leave for family members' illness may not be enough home time for those women who may prefer to be at home but may be a valued benefit for those more attached to the labor force. The ability to be at home with sick family members meets a crucial need for mothers who have few options for caring for sick children other than doing it themselves.

It should also be noted here that a variety of job accommodations to family needs showed no effects on quit intentions, including the ability to work part-time and to avoid overtime or irregular work schedules. Variables measuring past promotions and the potential for future promotion at the current job also failed to affect quit intentions among this sample of mothers.

Finally, we hypothesized that child care cost and satisfaction should affect both types of quit intentions—but intentions to exit the labor force more strongly than intentions to change jobs. However, child care cost did not affect turnover intentions of either type, and child care satisfaction significantly decreased only intentions to exit the labor force and this only before controlling for selection bias in postpartum labor force status. The fact that cost did not influence quit intentions in this sample runs counter to prior research on mothers' actual labor force behavior (Maume, 1991) and may reflect the presence of child care satisfaction in this analysis but not earlier research. Child care satisfaction may incorporate satisfaction with the cost of care, as well. Finally, we suspect the attenuated effect of child care satisfaction in the selection models is, in part, a function of satisfaction's endogeneity with regard to working conditions and workplace social support. Though our hypothesis that child care satisfaction should be a stronger determinant of labor force exits than job changes appears to be only weakly supported once sample selection is controlled, viewing child care satisfaction as endogenous to workplace social support directs attention to the way in which job conditions influence mothers' ability to locate and maintain satisfactory child care arrangements.

Although this study showed that certain forms of workplace support did decrease quit intentions and thus increased job stability among employed mothers of infants, drawbacks in this design merit caution in generalizing these results to the population of mothers at large. The dependent variables measure only future work intentions, not actual labor force behavior. These self-reports are reasonably accurate predictors of future behavior based on evidence from our longitudinal records, but some slippage does occur. Nevertheless, these results bolster the contention that job mobility rates among mothers are more job or context dependent than previously suspected, although life cycle stage and family status effects still exist.

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## NOTES

1. A measure of hours worked per week was included in early model specifications, but the pattern of effects did not change with hours worked per week held constant nor was the work hours variable itself significant. This variable was therefore excluded from further analysis.

2. This *t*-test uses the following formula:

$$t = \beta_1 - \beta_2 \sqrt{\sigma_1 + \sigma_2 - 2\sigma_{12}}$$

3. This makes good sense because labor force exits should be more sensitive to wages at the low end of the scale than at the high end. An alternative specification using logged wages was tried but did not produce different results in either the corrected or uncorrected turnover models.



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To lead, facilitate, and support the efforts of those working in the Early Care and Education profession throughout Alaska.

February 6, 2012

Senator Lesil McGuire  
State Capital Room 125  
Juneau, AK 99801

Dear Senator McGuire,


On behalf of Alaska Association for the Education of Young Children, I am pleased to offer our support for Senate Bill 129. Passage of this bill would increase State of Alaska employee access to child care services, and positively impact the recruitment and retention of state employees.

Many other large employers have analyzed the return on investment realized by supporting on-site child care, including Providence Hospital, Credit Union One, and BP in Anchorage, SEARHC in Sitka, Peace Health Hospital in Ketchikan, and the General Services Administration in Juneau. Alaska Legislative Affairs currently oversees the contract for the state employer sponsored child care next to the Capitol, which has been successful in offering priority enrollment for Legislative staff and state employees.

The number of families with two working parents is at an all-time high, and according to an economic impact study of early care and learning by McDowell Group, one in ten Alaska workers depends on child care to maintain their employment. Access to high-quality, reliable child care near the workplace is an important benefit proven to enhance employees attendance and productivity. According to recent studies, 90 percent of parents using full-service child care centers say that access to a center close to their workplace improves their productivity at work.

This bill would also increase the capacity and quality of child care in Alaska for working families. Currently there are spaces in licensed programs for less than half of the young children with no stay-at-home parent. Alaska is rated in the bottom ten states for quality of child care by the National Association of Child Care Resource and Referral Agencies. Employer sponsored child care programs are able to achieve higher quality. High quality child care has a positive correlation with school readiness and reduced stress in families.

Thank you for your ongoing work to support school readiness, strong families, and a healthy economy in Alaska.



Joy Lyon  
Executive Director  
AEYC Southeast Alaska