As the number of working women with young children continues to grow, the demand for affordable, high quality child care increases as well. Existing licensed centers and family day care programs can only accommodate 2.5 million children, while 10.5 million children under the age of 6 have working mothers. The quality of child care programs has a definite and lasting effect on children's academic and social development, and the most important ingredients of that care are affection and respect in the interaction between the child and the child care provider. Many segments of society will need to work together to create a comprehensive system of quality care. Currently, an increasing number of companies are establishing work and family policies such as parental leave and more flexible time policies. Many assist their employees in paying for child care through flexible spending accounts, while others have initiated on-site child care centers. The Federal Government provides $6 billion in child care assistance and has recently introduced nearly 100 bills (including the Act for Better Child Care) which focus on or include some provisions for child care. State and local governments are also capable of making important contributions by assisting low-income parents and supporting quality centers. Ultimately, all who have a stake in quality child care must become involved. (AYC)
CHILD CARE: WHEN WE CARE FOR CHILDREN

ISSUE SERIES NO. 2

AMERICAN ASSOCIATION FOR WOMEN
IN COMMUNITY AND JUNIOR COLLEGES

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TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)"
PREFACE:

The American Association of Women in Community and Junior Colleges has selected Child Care as its 1989 Issue of the Year. In March of 1989, a closed circuit teleconference was presented to more than 100 colleges in the United States on this topic. A panel of experts discussed "When We Care for Children." At the 69th Conference of AACJC Congresswoman Patricia Schroeder, Democrat of Colorado, discussed the AAWCJC theme: "When We Care for Children We Need a Champion of the Great American Family."

It is our conviction that the women in community and junior colleges should assume a leadership position on this issue for many reasons:

--- Our conviction that the quality of child care will have a tremendous impact upon the children of upcoming generations as well as on the vitality and economic well-being of our nation.

--- The fact that many of our campuses serve as early childhood training centers and/or as developmental centers for the care of the children of our staff and students.

--- The community college has traditionally been the leader in meeting the needs of the community and opening up new occupational frontiers.

--- We, as women professionals in the community and junior colleges, serve as role models both for our fellow workers and for our students.

Are demographics destiny? The most dramatic demographic change of the past 20 years has been the rapid influx of mothers into the labor force.

--- Today, 57 percent of all women with children younger than six work outside the home; in 1950, only 12 percent did (U.S. Department of Labor, "Child Care a Workforce Issue." 1988).
--- The fastest growing segment of the labor force is mothers of children under three - up to 53 percent in 1987 from 35 percent in 1976 (U.S. Department of Commerce, Bureau of the Census, 1987).

--- In 1988, more than half of all new mothers returned to work before their child's first birthday (New York Times, June 16, 1988).

--- Most mothers who work do so out of economic necessity. Approximately two thirds of women in the work force are single, widowed, divorced, or have husbands who earn less than $15,000 per year (U.S. Department of Labor, 1988).

--- More women of childbearing age will continue to enter the labor force in the next fifteen years; by 1995, two thirds of all pre-school children (approximately 15 million) will have mothers in the work force - an increase of more than 50 percent over the 1986 figure of 9.6 million. Additionally, by 1995 more than three quarters of all school age children (approximately 34.4 million) will have mothers in the work force (Blank and Wilkins, 1987).

Furthermore, the workforce itself will be increasingly female. By 1990, 66 percent of all new entrants into the labor force will be women. Currently 70 percent of all women in the workforce are of childbearing age, and 80 percent of them are expected to become pregnant sometime during their work careers (Galinsky and Freidman, 1986).

Thus, the number of working individuals dealing with child care issues is extremely large. The debate in this country has shifted from whether or not mothers of young children should work, to a recognition of the reality that they are, and will continue to do so in even greater numbers. The demand for child care will expand along with the growth in their numbers.

Even today parents scramble to find affordable, high quality child care. Many cannot. In a relevant study 75 percent of the women and 57 percent of the men surveyed found it difficult to find child care (Galinsky and Friedman, 1986). Although the number of day care centers in this country has doubled
in the last 10 years, the licensed centers and family day care programs in this country can only accommodate 2.5 million children. Yet there are 10.5 million children under six whose mothers work (Hofferth and Phillips, 1987). Where are all these children? Many parents choose informal arrangements in which the quality of child care varies widely. They are forced to choose lower quality care, often unlicensed, and frequently substandard. Or they make "patchwork" arrangements. (Studies have indicated that parents do not use one arrangement for each child; instead they piece together an informal "patchwork" system with more than one caregiver. A family averages 1.7 arrangements per child) (Shinn, and Associates, 1987). Many parents simply do not have enough money to pay for quality care at the market price, or sometimes, due to long waiting lists, good care is simply unavailable.

Child care experts know the ingredients which enter into high quality care, so children should not be denied this experience in their earliest, formative years. There is a dire need in our nation for quality child care programs which are affordable and available.

What has the research shown to be the long-term outcomes of these high quality programs? The early years have been shown to be a critically important time for learning. The quality of child care programs has a definite and lasting effect on all children's development, at every income level. For example, a 20 year study found that low-income children placed in a high quality preschool program were less likely to need remedial education, to drop out of school, or to experience delinquency problems in their teens (Galinsky and Friedman, 1986). The Select Committee on Children, Youth, and Families in the House of Representatives (1984) has affixed a price tag to such an investment: A $1.00 spent in early childhood education saves $4.75 in reduced expenditures for remedial education, welfare, and juvenile justice. The National Day Care Study has revealed that group size, staff-child ratio and the relevant training of teachers
Child Care -4-

is linked to children's overall achievement and social competence (ABT Associates, 1979).

What are the general characteristics of high quality programs? The most important ingredient is the relationship between the child and the child care provider. There needs to be frequent contact between the caregiver and the children. The children must be treated with affection and respect. Positive reinforcement needs to be given rather than criticism.

In fact, in a child care center, there need to be many positive interactions with all members of the staff. In exemplary programs there seems to be a special kind of person who appears to act almost like a "magnet," or a unifying force. It is that individual, a leader, who has a vision or a picture of the kind of child care desired. In the Child Care Information Exchange Survey, 250 child care directors indicated that leadership was the number one determinant of good child care (Galinsky, E., What Really Constitutes Quality Care?, 1988).

Size and configuration elements are the second most important ingredients of quality child care, specifically the group size and the ratio of staff to children. In small groups the adults are able to spend more time interacting with the children and less time just watching them. Children in small groups have been shown to be more verbal, more involved in activities, and less aggressive. In high quality programs the caregiver frequently speaks to the individual child as opposed to addressing the entire group. Additionally, the caregiver serves as a model for language development (Kontos and Fiene, Undated). Furthermore, children in the smaller groups have made the greatest gains in standardized tests of learning and vocabulary (Ruopp and Associates, 1979).

Conversely, several studies have revealed that children in low quality programs are more likely to be unoccupied and that such behavior seems to lead
to later problems in learning (Vandell and Powers, 1983; Rubin and Associates, 1983). The quality of the prime caregiver is critical.

Impinging on the entire quality issue is the extremely high turnover rate of child care providers. Every year 42 percent leave the field (U.S. Department of Commerce, Bureau of the Census, 1987). Generally, child care workers are paid close to minimum wage. Seventy percent of child care workers earn below poverty level wages (Whitebook and Associates, 1988). There is little incentive for them to get increased training, because generally pay rates remain low.

Yet the National Day Care Study (Ruopp and Associates, 1979) concluded that one of the most important ingredients of quality was the on-going relevant training of providers. In programs in which the caregivers had early childhood training, the children behaved more positively, were more cooperative, and were more involved in the programs. These children also made solid gains on standardized tests of learning (Abt Associates, 1979). In order to provide quality care for children, the field must be able to attract and retain qualified staff. And this means paying them a sufficient wage that they may have a decent standard of living.

No matter the setting, child care providers are the ones teaching children every moment, both formally and informally. Research shows that the way this teaching is done makes a tremendous difference in children's development. For example, a study has found that when children are talked to, asked questions, and encouraged to express themselves, their social development is enhanced. They are more likely to be considerate. These children have also been rated as more intelligent and task-oriented. The teaching environment, in fact, has been shown to be more predictive of children's achievement than their social class background (Phillips and Associates, 1987).

The quality of our child care will have a tremendous impact not only on the children of upcoming generations but also on the vitality and economic well-being of our nation's economy. The productivity of our future workforce
will be affected by the early education children receive. Quality education for all children is not an expense; it is a key investment.

The productivity of our current workforce is affected by the stability of the child care system. Child care breakdown has an impact on an employee's ability to concentrate on the job. A study conducted by Boston University of 16,000 employees from two major corporations found that one out of every four employed parents worried about their children either "always" or "most of the time" while at work (Burden and Googins, 1986). Many working parents report that their worries about child care interfere with their job performance, either by causing them to spend unproductive time on the job, or to shorten their work day by arriving late and/or leaving early. In a Fortune magazine study (Galinsky and Hughes, 1987), it was found that 72 percent of employee tardiness was for family-related reasons. The same study also indicated that child care breakdown was significantly associated with employee stress-related health problems.

Our American economy, in general, is also experiencing some difficulty. To many informed observers, it is clear that the American economy is not as strong or globally preeminent as it was some 30 years ago. The vital signs of the United States economy are wavering.

--- In 1960, the United States accounted for 35 percent of the world's economic output. By 1980, its share had fallen to 22 percent (Reich, 1987).

--- In 1960, the United States was responsible for 22 percent of the world's exports; in 1980, the figure was only 11 percent (Reich, 1987).

--- The Federal budget deficit was estimated to have reached more than 179 billion by 1988.

An impending labor shortage looms. Employers will be drawing as many new workers into the labor force as possible in order to fill the expanding number
of jobs and sustain productivity. Future economic growth depends upon our ability both to attract more workers into the labor force and to increase the productivity of those workers already there (Child Care: The Bottom Line, 1988).

Women will be filling two out of three new jobs. The availability of quality child care is key to increasing the availability and productivity of these new workers. The provision of affordable, high quality child care is one way for solid economic growth to occur. The links between adequate child care and productivity, economic growth, and the development of human capital are becoming increasingly clear (Child Care: The Bottom Line, 1988).

A comprehensive system of quality care requires far more resources than we currently invest. Whose responsibility is such an increased investment? Since higher productivity and an improved progeny benefits all, many segments of our society will need to come together to solve the problem: the Federal government, the states, employers, local communities, community organizations, private philanthropies, families, as well as others. No one element - not even the federal government - could solve the child care crisis in this country caused by the dramatic changes in the American family and the economy. There will need to be a partnership with federal, state, and local government; businesses; and other interested parties. The most crucial federal role is in helping to build this substructure.

What have other countries done? Just as in the United States, no one sector has taken total responsibility for child care. Sweden, for example, has a well-established high quality system of day care centers operated by local municipalities. The state government and the municipality each pay 40 to 45 percent of the cost, while parents' fees constitute 10 to 15 percent of the total (Broberg, 1988).

Sweden also has in place a parental leave policy, mandated by law. Their policy entails a parental personal leave policy of nine months at 90 percent
of gross pay, paid by the government or 18 months at half pay. Either the mother or the father can take the leave, or can share the time away from work. In fact, 22 to 30 percent of Swedish men take parental leaves. The right to return to the same or equivalent job is guaranteed by law. In addition, either men or women have the right to work a six hour day rather than an eight hour one, with the corresponding cut in pay, until a child is eight years of age.

Both Swedish men and women have the right to a certain number of days per year for leave when their children are ill. The average leave taken for this purpose is six to seven days per year for both men and women (Broberg, 1988).

In West Germany parental leave and child care fall under the aegis of the state. West Germany has one year state leave, partially paid for by the state, available to either parent. The mother is fully paid for leave six weeks before childbirth and eight weeks afterwards (Galinsky, E. The Implementation of Flexible Time and Leave Policies: Observations from European Employers, 1989).

Taxes in both Sweden and West Germany are at a level that would probably be considered unacceptable in the United States. Nonetheless, the services provided have been found to be extremely beneficial to the populace and to the economies of the countries which have these services in place.

THE PRIVATE SECTOR: WHAT COMPANIES CAN DO

Although the U.S. government does not underwrite the cost, an increasing number of companies in the United States, following the example from other countries, are establishing work and family policies such as parental leave, and more flexible time policies (American Society for Personnel Administration, 1988). Another device to aid employees pay for child care, and the most widely utilized by American companies, is the flexible spending account. Its advantage
is that it is of virtually no cost to the employer. Through the program employees can reduce their salaries by as much as $5000 and then be reimbursed, at the end of the year, for their child care costs by the employer with pre-tax dollars. Over 1000 employers now offer the flexible spending account option (Friedman, 1988). Of course, this primarily helps a parent in a higher income bracket. Those with lower wages frequently cannot afford any temporary reduction in pay even if the costs are eventually reimbursed.

In the past decade many major companies in the United States have developed various creative child care initiatives to serve the needs of their employees. These include child care information and referral services and a variety of payment assistance programs such as flexible benefits (one of which can be a child care allowance). In addition, some hospitals, companies, and a few federal agencies have initiated on-site child care centers. Others have programs for the care of children after school hours, or even for sick children. Companies with exemplary programs, to cite only a few, are IBM, American Express and Child Care, Inc., and American Savings and Loan of California. But still only 3500 of the nation's six million employers provide some form of "hands on" child care assistance to their employees (Child Care: The Bottom Line, 1988). The situation, however, is beginning to improve. In a survey conducted by the Bank Street College of Education, of 71 Fortune 500 companies, six out of ten executives were contending with a diminished supply of employees (Galinsky and Friedman, 1986). As in Sweden and West Germany, these shortages have been leading to the development of work/family programs. Of those executives surveyed, 86 percent planned to implement new family-responsive policies in the coming years. The main reason given for instituting such programs was to recruit and retain employees (Galinsky and Friedman, 1986).

Moreover, when the subject of employer-supported child care is raised, employers often think of on-site child care as their only option. There are,
in fact, a variety of ways in which employers can support their employees' child care needs, some of which are particularly appropriate for small employers. Employers can:

--- Invest in community-sponsored centers and support community efforts to expand family day care. For example, a group of employers in Linn-Benton Counties in Oregon conducted a community needs assessment and are in the process of creating a community child care resource and referral service (Galinsky, E. *Business Competitive Policies and Family Life: The Promise and Potential Pitfalls of Emerging Trends, 1988*).

--- Invest in consortiums or in on-or-near-site centers.

--- Adopt flexible work schedules.

--- Establish child care resource and referral services.

--- Permit employees to use their sick leave time to care for mildly ill children.

--- Provide direct financial assistance to help employees pay for care.

The numbers of employers involved in child care are beginning to grow because they believe it's a sound investment. Three national studies of companies with child care programs verify the economic validity of programs. Among 16 different measures of employee work behavior, all three studies found that managers believed their company's child care program improved recruitment, retention, morale, and public image. Low absenteeism and turnover were among the top five benefits in two of the studies. Moreover, the studies showed that the companies believed they were saving money by responding to their employees' needs for child care (Galinsky and Friedman, 1986). But, most importantly, quality, affordable child care can enable more parents to work without distraction and with far less stress. Companies that offer some form of child care assistance report increasing productivity on the job (*Child Care: The Bottom Line, 1988*).
THE PUBLIC SECTOR: WHAT THE FEDERAL GOVERNMENT CAN DO

There are certain existing federal actions which address child care. The Dependent Care Tax Credit is a program which has been in place for several years. Child care expenses are deductible from income tax. The federal government also sponsors 22 separate programs that provide some form of child care assistance (Robins, 1988). The federal government spends roughly six billion dollars each year on child care. This consists of 3.5 billion through Dependent Tax Care Credit and 2.5 billion which is used for a variety of programs for low-income families. It includes funding for Head Start, a portion of the Social Services Block Grant, and a portion of Aid for Families with Dependent Children (AFDC) (Robins, 1988). In fact, subsidizing child care has been shown to be more cost effective than paying AFDC child care benefits as several state studies have shown (Black and Wilkins, 1987).

During the 199th Congressional Session, close to 100 bills were introduced which focused on, or included some provision for child care. Undoubtedly, the best known bill is the Act for Better Child Care (HR 3660; S. 1885), or the ABC bill. This bill has been co-sponsored by 169 Representatives and 40 Senators. It has garnered much popular support since it represents a consensus from a variety of professional organizations. These include the Child Care Action Campaign, the Children's Defense Fund, the Association of Junior Leagues, the National Black Child Development Institute, and the American Academy of Pediatrics. Some of its key provisions are:

--- Establishing a national advisory committee to set up minimum standards for the states.

--- Enabling states and local communities to increase and fortify this system.

--- Requiring the states to develop plans to deal with compensation and retention of child care workers.

--- Requiring 15 hours of training for child care providers as a minimum baseline.
--- Funding local resource and referral agencies.
--- Providing start-up loans and grants for child care centers.
--- Helping low and moderate income parents pay for child care.

THE PUBLIC SECTOR: WHAT STATE GOVERNMENTS CAN DO

State governments are capable of many important contributions to child care.

--- Family income and taxes paid increased six-and-a-half times among California families who used a state child care program for two years. Total public funding was offset by 45 percent; 68 percent of AFDC families no longer required income assistance.
--- Almost half the participants in a voucher day care program in Massachusetts were able to earn their way off AFDC. Employment levels rose with the length of participation, from 63 percent at the start, to 93 percent for those using the child care vouchers for twelve months or more.
--- As far as low income families are concerned, the Colorado Department of Social Services estimates that providing child care assistance to low-income families costs only 38 percent of what it would cost to provide those same families with AFDC and Medicaid if they were unemployed (Blank and Wilkins, 1987).

THE PUBLIC SECTOR: WHAT CAN LOCAL COMMUNITIES DO?

Some sterling programs of community child care exist. One such exemplary program is that of Fremont, California. When child care issues emerged as key to the community's well-being, this community devised an excellent solution. They designed a child care center with quality care. It was funded through three sources: one third of the dollars came from a $1.00 per household tax; one third came from municipal revenues; one fifth was raised by a tax on businesses. The rest of the cost was paid by parents who utilized the services (AAWCJC and Associates. Teleconference, 1989).
The activities of a few sectors of our society have been described. Ultimately it is important that all who have a stake in quality child care become involved. The creation of quality child care is up to the determination of the American people. No matter how dire problems appeared to be, Americans have risen to the occasion, garnered their energies, and met severe challenges. We can accomplish the creation of quality child care, affordable and available to all, in our nation.
REFERENCES


