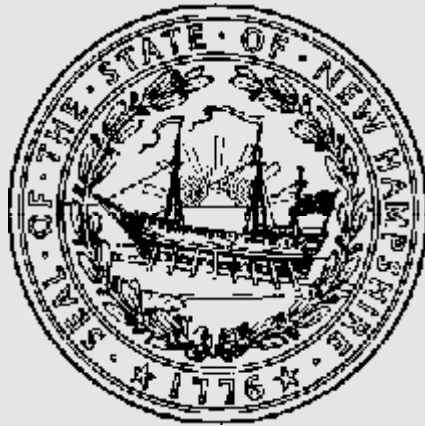


Childcare 2000

A Survey of New Hampshire Employers

a Labor Market Information Report

July 2000



State of New Hampshire

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New Hampshire

Employment Security

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The information provided is a direct result of the commitment of those New Hampshire businesses that participated in the survey. To those of you who supplied information, we thank you. As with past endeavors, the success of this publication is testament to the partnership between the business community and state government.

Pictures were donated by families and friends of some New Hampshire children.

Introduction

During March 2000, the Economic and Labor Market Information Bureau conducted a statewide, all industry, Childcare 2000 survey¹ of 6,412 New Hampshire businesses. Of those surveyed, just about 15 percent (960) returned a completed form. The 960 respondents account for close to 52,000 full-time and 15,000 part-time New Hampshire employees. The returns give us insight into the state of childcare benefits provided by the New Hampshire business community.

The subject of childcare was briefly covered by this agency in the 1998 *New Hampshire Benefits* survey. Within that survey, one of the questions employers were asked was if they provided assistance for child day care. A total of 2,159 employers answered that question. Of those, about seven percent representing over 21,000 employees claimed to offer some sort of childcare related benefits. Of the employers who selected other, many indicated that they included childcare as a flexible spending option.



Assistance for Child Day Care

Employers Responding to This Question : 2,159*	Full-time		Part-time	
	responding employers	their employees	responding employers	their employees
Total	1,960	71,702	1,404	27,991
No	92.8%	84.2%	93.4%	83.9%
Vouchers or off-site subsidized	1.5%	4.0%	1.1%	0.3%
On-site facility	2.2%	3.9%	2.5%	8.7%
Referral information only	0.6%	3.3%	0.7%	1.1%
Other	3.0%	4.5%	2.4%	6.1%

Source: 1998 *New Hampshire Benefits*, Economic and Labor Market Information Bureau, New Hampshire Employment Security, March 1999

*Since employers responding have both full- and part-time employees, the totals for responding employers will not equal total employers responding to the question.

1998 *New Hampshire Benefits* indicated the industry most likely to offer childcare assistance in any form was Finance, insurance, and real estate where nearly a quarter of employees worked for firms offering vouchers or off-site subsidies. Of all industries, Health services employers were most likely to offer on-site childcare facilities or to make other accommodations, such as childcare as a flexible spending option. Construction and Trade businesses were the least likely to offer childcare related benefits.

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¹ The Childcare 2000 publication, the survey instrument, and additional data compiled during the preparation of this publication are available on our Web site: www.nhes.state.nh.us/lmipage.htm

"I know you struggle to attract and retain the kind of skilled employees necessary to keep your company competitive in the fast-paced economy." —

Governor Shaheen

The results of this 1998 survey were published and are available in the *1998 New Hampshire Benefits* publication, available both in print and on our Web site: www.nhes.state.nh.us/lmipage.htm.

*Childcare in New Hampshire*¹, based on both a series of focus groups held in July 1998 and a survey of 402 households and 200 businesses, offered additional interesting insights. According to the results of that survey there is a lack of affordable, quality childcare in New Hampshire, which affects the ability of a business to draw new talent into the work force and to keep current talent on the job. In this same study, many working parents reported being forced to leave jobs or switch to part-time employment because of the unavailability of childcare. The study also estimated that childcare related absences cost businesses \$12 to \$24 million each year. Based on current New Hampshire covered employment of about 600,000, this would place the per employee cost somewhere between \$20 and \$40 per year.

Childcare 2000 is an extension of the *1998 New Hampshire Benefits* publication. It is designed to aid in the efforts of addressing an issue that increasingly affects the bottom line of any business. While the 1998 survey addressed all benefits provided, this publication focuses solely on the issue of childcare. Working in partnership, the public and private sectors can use this information to help in developing answers to the childcare needs of New Hampshire.

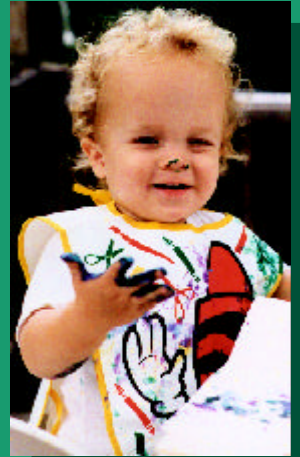


¹ *Childcare in New Hampshire*, a Provident National Bank-sponsored survey submitted by Helms & Company, RKM Research and Communications, and Mary Jane Wallner, Fall 1998.

Highlights

Many employers indicated they did not have a plan or program in place for dealing specifically with childcare issues. The majority of employers responding, however, seemed flexible in their handling of those issues. This seems to be a theme as different points are made throughout the publication. Some of those points are highlighted here.

- ☑ Half of the companies responding to the survey indicated they lost full-time employee hours because of childcare issues.
- ✓ Only about 30 percent of companies responding indicated their full-time employees have asked for childcare assistance.
- ☑ Generally, more than half of the employers responding to the question about time off being allowed for childcare issues indicated they offer their employees the chance to use optional holidays, leave time, sick time, or flex time.
- ☑ Just over 60 percent of respondents allow employees with childcare needs to switch temporarily to a part-time work schedule.
- ☑ Of the 66,379 employees from companies responding to this survey, only 8.3 percent are offered on-site childcare.
- ☑ Fewer than one percent of the employees from companies responding to the question about assistance for childcare or before/after-school programs are provided the benefit.
- ☑ Nearly half of all employees of companies responding to the question about dependent care assistance are offered such a plan.



Childcare issues have not caused staff concerns because of the flexibility we provide —
a NH Services Employer

Childcare Needs

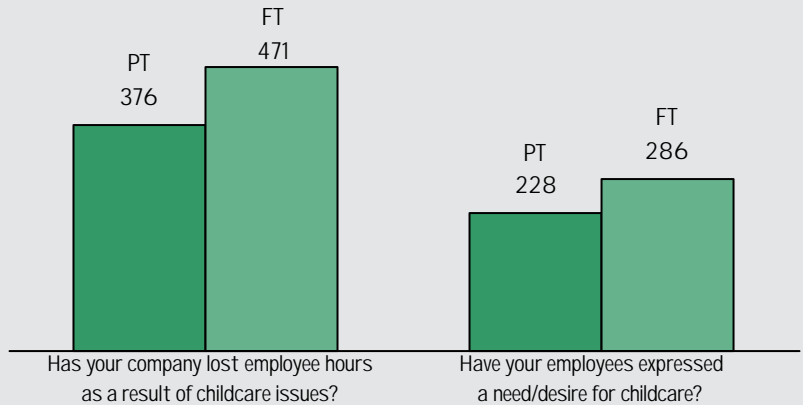


Has your company lost employee hours as a result of childcare issues?

This could ultimately be anything from a parent having to stay home with a sick child to leaving an hour early to take a child to a doctor's appointment.

- Just over half of all respondents indicated their company has lost employee hours as a result of full-time employee childcare issues.
 - ✓ These firms employed more than three-quarters of the total full-time employees in the sample.
- Just about 41 percent indicated their company has lost employee hours as a result of part-time employee childcare issues.
 - ✓ These firms employed more than 63 percent of the total part-time employees in the sample.

Many companies have lost employee hours but only about half as many indicated their employees have asked for assistance



We are a seasonal business whose employees are usually students or retired individuals who generally do not have childcare issues — a NH Trade Employer

Have any of your employees ever expressed a need/desire for childcare assistance?

Over 50 percent of employers responding to whether their company had lost employee hours said yes for full-time employees, yet:

- ☑ Of the 943 employers responding, only 30 percent had been told or heard that full-time employees of their company have indicated any need or desire for childcare.
- ☑ For part-time employees, over 40 percent of employers responding said yes, but only 24 percent had been told or heard that employees of their company have indicated any need or desire for childcare.
- ✓ Only 17 employers left this question blank.

We work very hard to arrange employee hours to suit their individual needs —
 a NH Services Employer

Time

Do you offer any vacation, sick, flex, optional, or other time that can be used to solve childcare needs such as: daycare, school vacation, school closing for weather, school conferences/meetings, etc?

Many companies indicated they do have some form of time off provided to their employees. More than half of the employers responding to this question indicated they offer their full-time employees the chance to use leave time, annual time, or sick time for childcare issues.

- ☑ 480 companies (54.9 percent) indicated they offer their 25,470 full-time employees (56.2 percent) the chance to use sick time for childcare issues.
- ✓ The number was lower for part-time employees — 302 companies (34.5 percent) with 6,927 employees (52.3 percent).

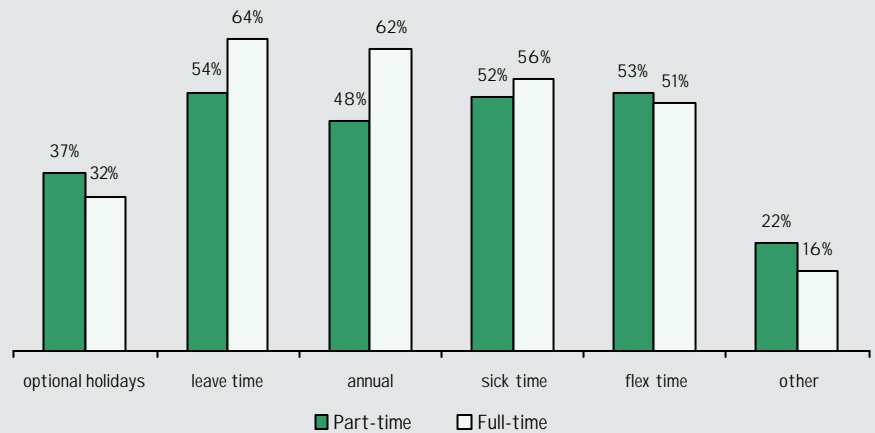




Ours is a very small company, limiting our ability to be flexible — a NH Manufacturing Employer

- ☑ 446 companies (50.9 percent) indicated they offer their 29,081 full-time employees (64.5 percent) the chance to use leave (vacation) time for child care issues.
- ✓ Again, the number was lower for part-time employees — 337 companies (38.5 percent) with 6,807 employees (53.5 percent).

Roughly half of the employers responding to this question indicated they offer their employees the chance to use leave time, annual, flex time, or sick time for child care issues



- ☑ Of those who checked the "Other" selection for this question,
 - ✓ 31 commented that they allowed employees to use vacation time.
 - ✓ Another 21 respondents indicated time off with pay or personal time.
 - ✓ 21 respondents indicated they were flexible.
 - ✓ The remaining respondents wrote in several other benefit types such as flexible spending account, childcare on-site, and time-off without pay.



Of all the questions asked, this was one of the few with many positive responses. This high number of positive responses indicates that a large percentage of New Hampshire businesses provide time off which can be used for childcare issues.

Schedules

Do you offer a compressed work schedule?

The results were similar for both part-time and full-time employees.

- Over five percent of the employers responding indicated they offer their full-time employees a compressed work week schedule of three 12.5 hour days.
- ✓ Almost 15 percent of the employers responding said they offer their full-time employees a compressed work week schedule of four 10 hour days.
- Almost 18 percent of the companies who answered this question said they offer some other form of a compressed work week. Almost 20 percent of those respondents wrote in flex time.
- ✓ If tallied as part of the previous question, these responses would add another 25 companies offering flex-time with 669 full-time employees effected.

Other responses varied from *mother's hours* to *working from home* to *weekends only*.

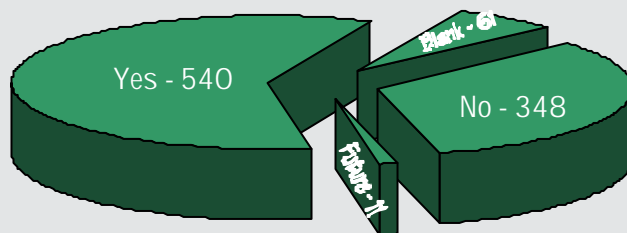


Daytime childcare is not really an issue. However, childcare availability during the evenings and weekends is —
a NH Trade Employer

If there is a need for an employee to take time off for a sick child and the hours taken are reasonable, there is never an issue with time taken and no hours are deducted from the employee's pay —
 a NH Services Employer



Just over 60 percent of respondents allow employees with childcare needs to switch temporarily to a part-time work schedule



Do you allow an employee with a childcare need to switch temporarily to a part-time work schedule (with a corresponding decrease in salary and benefits)?

- 540 employers (60.1 percent) impacting 30,175 employees (65.0 percent) responded positively to this question.
- Many responding to this question made comments indicating they did not have a policy specifically regarding childcare with this issue. Decisions made would be on a case-by-case basis.
- Employers also said that sometimes an employee might need to switch from full- to part-time whether for childcare or not, and it is generally allowed as long as there are no business issues standing in the way.

Do you allow an employee with a childcare need to transfer to another position that is part-time?

- 512 employers (57.4 percent) impacting 35,481 employees (70.7 percent) responded positively to this question.
- As with the previous question, many respondents making added comments indicated they did not have a policy specifically regarding childcare with this issue, so decisions made would be on a case-by-case basis.

Do you offer job-sharing to an employee with childcare needs?

- Just over 9,600 full-time employees are impacted by the 217 positive responses to this question.
- ✓ This is almost one-quarter of all companies responding.

Do you offer telecommuting as an option so employees with childcare needs can work at home?

Of the 930 employers responding to this question:

- Approximately 11 percent indicated they do offer telecommuting to their full-time staff and eight percent provided it to their part-time staff.
- ✓ Over 7,600 full-time employees and just about 1,500 part-time employees are impacted by these positive responses.
- 808 reported they do not offer their full-time employees the chance to telecommute when childcare issues arise.
- ✓ These 808 companies employ approximately 41,000 full-time employees.

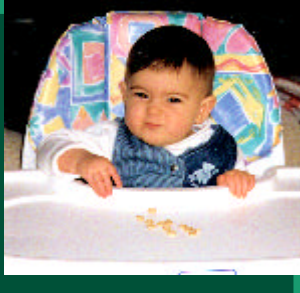
This question also seemed to draw comments about not having any company policy, but if a need arose and there was sound business reason to allow it, it would be approved.

As with several questions, the companies responding showed a high level of understanding and flexibility toward employee issues.



We always try to accommodate employee schedules to be able to meet their childcare needs —
a NH Manufacturing Employer

Facilities



Do you provide a childcare resource and referral service?

Out of 960 surveys returned, 906 answered this question.

- Ninety-one percent of all respondents said they do not provide the service to full-time employees.
- Eighty-six percent of respondents said they do not provide the service to part-time employees.
- Only 71 businesses indicated they provided some form of resource and referral service to full-time employees and 118 said they did for part-timers.

When asked more specifically if respondents maintained a list of childcare facilities in the community for their full-time employees, 60 employers said they did.

- Fifty-four employers also said they did this for their part-time staff.

Employers were also asked if they referred their employees to childcare programs/facilities.

- Just over 10 percent of respondents indicated they did for both full-time and part-time employees.
- When this was asked in the 1998 benefits survey, less than one percent of respondents indicated they provided a referral information only service.

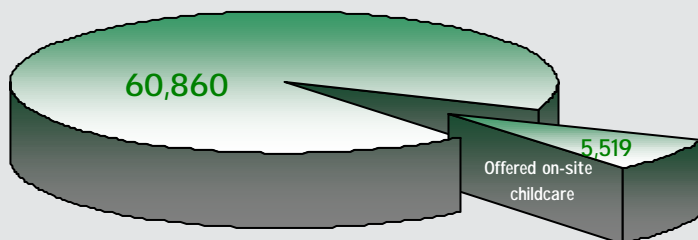
The final part to this question asked whether employers provide staff assistance in locating and evaluating childcare programs/facilities.

- Roughly seven percent indicated they did for both full-time and part-time staff.

Whenever necessary due to school closings, etc., employees are allowed to bring their child(ren) in to work with them —

Statement echoed by eight NH Employers

Of the 66,379 employees from companies responding to this survey, only about eight percent are offered on-site childcare



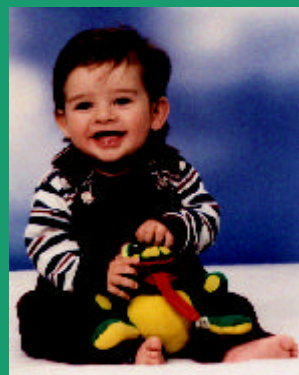
We do not have the assets that large businesses have, so we are unable to provide such things as childcare on-site

—
a NH Construction Employer

Do you provide childcare:

a. on-site?

- Just about three percent of respondents said it was available for both full- and part-time employees.
 - ✓ These respondents accounted for 5,519 employees.
 - ✓ Just over eight percent of all respondent company employees have access to some form of on-site childcare.
- This same question was asked in the 1998 survey.
 - ✓ Then, 2.2 percent of respondents with about four percent of employees indicated they provided an on-site facility for their full-time help.
 - ✓ 2.5 percent of companies responding with almost nine percent of employees in the survey said they did for their part-time employees.



We have a public facility, so when we have a Saturday business meeting, families are encouraged to come and enjoy the facility free of charge —
a NH Services Employer

b. off-site?

- Only about one-half of one percent of all respondents to the survey checked the yes box in either the part-time or full-time employee category for off-site childcare.
- ✓ This means that about two percent of all respondent company employees have access to some form of off-site childcare.

Do you have a contractual agreement for space(s) within a childcare program/facility(ies)?

A negative response is what we got from just about every respondent.

- Nearly every one of the 944 employers responding to this question indicated they do not have an agreement for space within a childcare facility.
- Only slightly more than one percent of respondents said they did have a contractual agreement for space for full-time employees.

Expenses

Do any childcare programs/facilities give your employees a discount because they are employed by your company?

- 21 companies with 1,345 employees indicated they did provide this service to part-timers.
- 19 companies with 1,301 employees indicated they provided it to full-timers.
- Even fewer respondents indicated what percentage they provided.
 - ✓ Four respondents indicated they provided *25% or below* and one indicated they provided *51 to 75%* for part-time employees.
 - ✓ Two respondents indicated they provided *25% or below* and one indicated they provided *51 to 75%* for full-time employees.



- ☑ Seven respondents indicated they had future plans for providing this childcare benefit to their employees.

Do you share costs of providing a childcare facility with another employer?

- ☑ Two respondents with 235 full-time employees and 160 part-time employees answered this question positively.
- ☑ Six respondents have future plans to provide a facility.

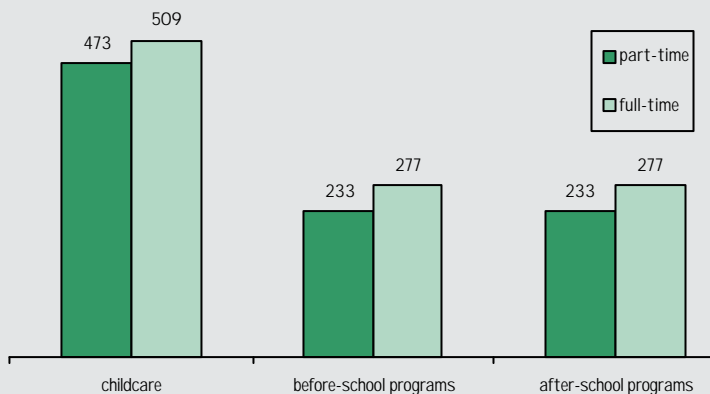
Do you assist employees with childcare expenses by providing a percentage of the cost to the employee for:

1. childcare?

- ☑ Twenty-two respondents indicated they provided this benefit to more than 500 full-time employees.
- ✓ Three respondents provided 25% or below to full-time employees and two provided it to part-time employees.
- ✓ Only one provided 76% or higher to employees, whether full- or part-time.
- ☑ Five respondents indicated they have future plans for providing this benefit.



Fewer than one percent of the employees from companies responding to this question are provided assistance for childcare or before- or after-school programs by their employer



Although we are a small company we try to be very flexible —
a NH Manufacturing Employer

We understand as an employer that employee families come first, and we will always be supportive of that —
 a NH Trade Employer

2 & 3. Before- and after-school programs?

- Thirteen companies responded positively to these two parts of this question.
- 233 part-time and 277 full-time employees have access to this benefit with these organizations.
- Of those companies responding, only two indicated the amount of percentage provided.
 - ✓ One company provided 51 to 75%.
 - ✓ One company provided 76 to 100%.

If yes, how is payment provided?

- One company with 60 part-time and 90 full-time employees said they gave vouchers to the employees.
- Three respondents with 46 part-time employees, one of which also had three full-time employees, gave the voucher directly to the childcare provider.
- Seven companies with 101 part-timers and five with 94 full-timers provide the additional amount in the employee paycheck.
- Twelve companies with 224 part-time and 324 full-time employees provide some other form of assistance, though not identified.

A form of this question was asked in the 1998 survey. Specifically, the 1998 survey asked if vouchers or off-site subsidized assistance was given.

- 1.5 percent of respondents with four percent of staff indicated they provided this benefit to their full-time help.
- 1.1 percent of respondents with only 0.3 percent of employees said they did for their part-time staff.



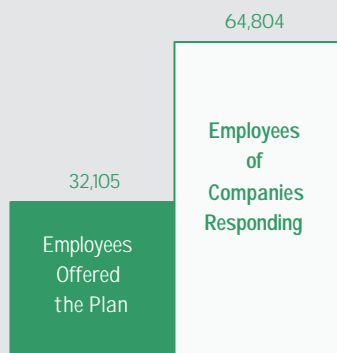
Do you offer childcare expense monies as an employer paid selection in a cafeteria style benefits package?

- Roughly 8,000 full-time and 600 part-time employees have access to this benefit, as indicated by the total of 61 and 45 positive responses, respectively.
- Twelve respondents have future plans to offer this benefit, and sixteen left the question blank.

Do you offer a dependent care assistance plan (DCAP) which allows employees to set aside up to \$5,000 of their earnings in tax-free accounts?

- 162 respondents with close to 28,000 full-time employees responded positively to this question.
- 118 respondents with close to 5,000 part-time employees also responded positively.

Nearly half of all employees of companies responding to this question are offered a dependent care assistance plan



This benefit seemed one of the more popular among companies responding to the survey. Of their employees, 54 percent of full-time and 33 percent of part-time have access to this benefit. This closely matches the numbers of employees having access to leave and sick time.



We provide a very flexible work environment so employees can attend to their child-care needs without guilt or hassle from management —
 a NH Services Employer

Other



The early years are crucial child development years so quality, affordable childcare becomes even more important — a NH Services Employer

Do you offer summer camp subsidies for employees' children?

- More than 98 percent of respondents indicated they did not provide this type of benefit to either part- or full-time employees.
- ✓ About 1.5 percent of respondents indicated they do provide this benefit to full-time employees.
- ✓ This accounted for under one percent of all respondent employees.
- ✓ One percent of respondents also said they provide summer camp subsidies to part-time employees.
- ✓ These employees accounted for almost one percent of all respondent employees.
- Five indicated future plans for implementing this benefit.
- Fifteen employers left this question blank.

Do you offer cultural arts program/field trips for your employee and/or their spouse and children?

- Just about 40 respondents with almost 5,800 employees indicated they provide this type of benefit for their employee and their spouse and children.
- ✓ Almost nine percent of respondent employees have some form of cultural program/field trip offered to them by their employer.

What other childcare related programs do companies provide that were not otherwise addressed?

Responses to this question varied from “it depends” to “not an issue” to general commentary about childcare.

- Some respondents indicated their business was too small to be able to afford childcare benefits for employees.
- Others said that none of their employees had children so it was not an issue for them.
- The majority of comments made, however, stressed the importance of employer understanding even when lacking any formal childcare benefit.
 - ✓ Most indicated they were very flexible in providing personal time to employees for childcare or anything else for that matter.
 - ✓ These organizations provided anything from vacation time, to free time for employee participation in school events, to time-off with no pay.

“Flexible, flexible, flexible...” seems to be the theme for the majority of respondents making additional comments.



Conclusion



The issue of childcare as a barrier to labor force participation has been a topic of discussion both statewide and nationwide. According to the Governor in her cover letter to the Childcare 2000 survey, employers struggle to attract and retain skilled employees necessary to stay competitive.

Responses to this survey appear to indicate many New Hampshire employers do not have a plan or program in place for dealing specifically with childcare issues. Typically, New Hampshire organizations have offered time off in the form of vacation time, sick time, optional holidays, etc., as a standard benefit. Employers have indicated the willingness to allow employees to take accrued time for dealing with childcare issues.

The second most popular benefit provided by respondents to the survey was a Dependent Care Assistance Plan. This allows employees to put aside up to \$5,000 of their earnings in tax-free accounts. The number of employees having access to this benefit comes close to the number of employees having access to some form of time off. The next somewhat popular choice seems to be between allowing telecommuting and providing a resource and referral service as a childcare benefit.

The least common benefit offering seems to be sharing costs of providing a childcare facility with another employer. The second least common is offering a childcare facility off-site. Only 0.5 percent of respondents indicated they offered this benefit. More provide a childcare facility on-site even though the occurrence of this benefit is somewhat limited as well.

The information provided in this publication, as well as information from previous surveys and studies, will aid in developing successful strategies for dealing with childcare issues that may become barriers to labor force participation.