

of work experience on labor composition. An important reason for this increase is that the average age of the work force has been slowly moving upward in the 1980's, after rapidly declining in the 1970's. The rise in the average age toward the years of peak productivity is expected to continue until at least the year 2000, and it is likely to have a positive effect on the growth of labor composition and labor productivity.⁴ □

—FOOTNOTES—

¹The methodology and results of these studies are described in the following: *Job Performance and Age: A Study in Measurement*, Bulletin 1203 (Bureau of Labor Statistics, September 1956); *Comparative Job Performance by Age: Large Plants in the Men's Footwear and Household Furniture Industries*, Bulletin 1223 (Bureau of Labor Statistics, November 1957); Ronald E. Kutscher and James F. Walker, "Comparative Job Performance of Office Workers by Age," *Monthly Labor Review*, January 1960, pp. 39-43; and James F. Walker, "The Job Performance of Federal Mail Sorters by Age," *Monthly Labor Review*, March 1964, pp. 296-300.

²Because the construction of the profiles involves earnings data for just one year, 1986, inflation is not an issue here. The shapes of the profiles give an indication of what happens (on average) to the real hourly earnings of individuals over the course of their working lives.

³A complete discussion of the methodology and results of the labor composition study will be available in a future Bureau of Labor Statistics publication.

⁴See Ronald E. Kutscher, "Overview and implications of the projections to 2000," *Monthly Labor Review*, September 1987, pp. 3-9; and Howard N. Fullerton, Jr., "Labor force projections: 1986 to 2000," *Monthly Labor Review*, September 1987, pp. 19-29.

Employers and child care: what roles do they play?

HOWARD V. HAYGHE

As more and more mothers are joining the ranks of the employed, child care has become one of today's most widely debated social and political issues. Awareness of the problem has spread dramatically, as demonstrated by the recent report by the Secretary of Labor and by child-care initiatives presently in the Congress.¹ Employers, too, are beginning to be involved in the search for solutions.

As in the past, American employers on the whole still do not play an active role in the care of their workers' children. However, with mothers becoming a more im-

portant part of the work force, some employers are coming to realize that the difficulties that their employees face in arranging care for their children may result in absenteeism, tardiness, low morale, and productivity problems. This may be exacerbated in some areas by worker shortages. Consequently, there is some evidence that employers are looking at steps they can take to help their employees who are parents.²

To determine what employers were doing, the Bureau of Labor Statistics conducted a special nationwide survey of approximately 10,000 business establishments and government agencies in the summer of 1987.³ Results from this survey show that direct aid to working parents is still very limited. Only about 2 percent, or 25,000, of the Nation's 1.2 million nonagricultural establishments with 10 or more employees actually sponsored day-care centers for their workers' children while an additional 3 percent provided financial assistance towards child-care expenses.⁴ But, as this report will show, employers are doing a number of other things to aid employees with growing children.

Scope of the issue

The potential demand for child care is immense. As of March 1987, there were 10.5 million children under the age of 6 whose mothers were in the labor force—more than half of all children these ages.⁵ In addition, there were 15.7 million youngsters ages 6 to 13 whose mothers were in the labor force and who required some sort of care or supervision before and after school or on school holidays. A total of 26.1 million children under age 14 lived in homes where both parents or the lone parent was in the labor force.

How are these children being cared for? The following tabulation, which is based on data collected by the Bureau of the Census in the winter of 1984-85, shows a percentage distribution of children under age 15 in terms of the institution or person *primarily* responsible for their supervision while their mothers worked:⁶

	Percent
Total	100.0
In own home	17.8
In others' home	14.4
Day-care facility	9.1
School	52.2
Child cares for self	1.8
Parent	4.7

The survey also showed that there were more than a million children ages 5 to 14 who cared for themselves after school—the so-called "latch-key" children.⁷ These data simplify the actual complexity of today's child-care arrangements: parents working different shifts; transporting the children to and from the day-care providers; and coping with breakdowns in the arrangements or other emergencies. However, child-care arrangements are not

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Table 1. Provision of child-care benefits and work-schedule policies aiding child care by establishments with 10 or more employees, by establishment size and industry, summer 1987

Size and industry	Total establishments (in thousands)	Percent providing child-care benefits or services	Percent with work-schedule policies aiding child care	Have neither benefits nor work-schedule policies		
				Number (in thousands)	Percent of total	Percent considering benefits or policies
Total	1,202	11.1	61.2	442	36.8	2.4
Size						
10 to 49 employees	919	9.0	62.0	337	36.7	1.8
50 to 249 employees	236	15.3	58.1	90	38.1	3.6
250 employees or more	47	31.8	59.4	15	32.5	9.0
Industry						
Private, total	1,128	10.1	61.4	413	36.6	2.4
Goods-producing	272	6.3	51.3	126	46.4	2.0
Service-producing	856	11.3	64.6	288	33.5	2.6
Transportation and public utilities	59	11.8	54.2	25	42.9	2.5
Trade, total	427	7.6	67.1	136	31.6	1.9
Wholesale	124	8.5	55.4	55	43.4	2.3
Retail	303	7.3	71.8	81	26.8	1.6
Finance, insurance, and real estate	80	18.4	60.6	28	34.9	4.8
Services	290	14.7	64.3	98	33.9	3.0
Government	74	26.4	57.2	29	39.6	2.9
Industry by size						
Private:						
10 to 49 employees	879	8.3	62.2	321	36.5	1.8
50 to 249 employees	213	14.1	58.6	80	37.6	3.6
250 employees or more	36	31.6	58.5	12	33.1	9.9
Goods-producing:						
10 to 49 employees	196	3.5	53.9	88	45.1	1.1
50 to 249 employees	62	9.8	44.8	32	51.1	3.6
250 employees or more	14	29.9	44.5	6	44.8	7.1
Service-producing:						
10 to 49 employees	683	9.7	64.6	233	34.1	2.1
50 to 249 employees	151	15.8	64.3	48	32.0	3.6
250 employees or more	22	32.7	67.7	6	25.6	13.1
Government:						
10 to 49 employees	40	24.1	57.9	16	40.2	1.8
50 to 249 employees	23	27.2	53.7	10	43.0	3.9
250 employees or more	11	32.7	62.0	3	30.7	5.6

the concern solely of parents, children, and day-care providers; employers are also affected in terms of worker reliability and productivity.⁸

What employers reported

In the survey conducted in the summer of 1987, about 11 percent of the establishments with 10 employees or more reported that they provided at least some employees such direct benefits as employer-sponsored day care, financial assistance toward it, or information and referral services to guide employees to child-care providers in their communities (table 1). Typically, large establishments (250 employees or more) were far more likely than small ones to offer such child-care benefits to their employees. Private employers in the service sector and government agencies were much more likely than goods-producing establishments to offer child-care benefits to their employees.

About three-fifths of the establishments reported that at least some of their workers could take advantage of

indirect benefits in the form of work-schedule or leave policies that could aid them in fulfilling their family obligations including child care. Such policies—which include flexitime, flexible leave, and voluntary shifts to part-time work schedules—may or may not have been initiated with child care in mind.

Small establishments were just as likely as the large ones to provide such “liberal” work-schedule/leave policies, while private service sector establishments (which include day-care providers) were more likely than either goods-producing firms or government agencies to have them in place. Moreover, when both industry and size of establishment are taken into account, flexible work-schedule/leave policies were more prevalent among large private service sector establishments and government agencies than among large goods-producing establishments. One reason for this difference may be that in order to coordinate the production processes and maximize efficiency, large establishments in goods-producing in-

dustries are more likely to adhere to rigidly standardized work schedules.⁹

Work force composition—especially the proportion of women—is undoubtedly a major factor underlying the extent of child-care assistance (either benefits or work-schedule policies) by industry. In the summer of 1987, 53 percent of payroll employees in private service-producing establishments were women, as were 51 percent in government agencies. In contrast, just 28 percent of the workers in goods-producing establishments were women, including only 11 percent in mining and construction (combined).

Direct benefits

The direct child-care benefits that some employers provide fall into five basic categories: employer-sponsored day care; assistance with child-care costs; information and referral to community child-care resources; counseling services; and a variety of miscellaneous benefits. Employer-sponsored child care includes a variety of arrangements such as onsite day care or care at a nearby location and consortia (that is, several employers joining together to establish a day-care center for use by their employees). Also included are day-care providers that accept their own employees' children.

Likewise, employer assistance with child-care costs comes in many different forms. These include flexible spending accounts, contractual arrangements with day-care providers that allocate space for employees' children or give them discounts, or giving employees vouchers (or checks) to defray their expenses. The voucher method may be included as part of the regular benefits package or may be an option in a "cafeteria" or flexible compensation plan.

Child-care information and referral services provided by employers can range from something as simple as maintaining a list of child-care providers all the way up to staff assistance in locating and evaluating the providers and even matching the employees with the most appropriate provider. Counseling services include advice and information on parenting and parenting problems, while the "other" or miscellaneous category includes such disparate—and often informal—benefits as payment for extra child-care expenses incurred because of overtime or illness of the child to bringing the child to work (school bus drivers are an example of the latter).

As already noted, relatively few employers provide such direct benefits. The most frequently provided—10 percent of the establishments—are information, referral, and counseling services (table 2). Only 2 percent of establishments provided day-care facilities (either onsite or through a consortium); some of these employers turned out to be day-care businesses which made their facilities available to the children of their employees. An additional

3 percent of the establishments, while not providing day-care facilities, assisted with child-care expenses.

There are several reasons why employers seldom provide day care. One is, of course, cost. The employer has to be able to make a determination that a day-care center will increase productivity sufficiently—by, for example, reducing absenteeism, boosting morale, or improving recruitment and retention—to offset its cost. Another is that establishing a day-care center requires dealing with issues of legal liability as well as a thicket of State and local regulations governing such undertakings. Finally, a firm may not believe that it has a sufficient number of employees with day-care needs to justify the benefits at all.

Providing financial assistance to employees who are parents also presents problems. Employers as well as employees may not be very familiar with the methods of setting up flexible spending accounts as permitted by the Economic Recovery Tax Act of 1981.¹⁰ Another method for assisting employees with child-care expenses are so-called "cafeteria" style, flexible compensation plans under which employees are allowed to select from a "menu" of benefits those that they feel are most appropriate to their life-cycle stage. Such plans were authorized under Section 125 of the Internal Revenue Code in 1978. However, the Internal Revenue Service subsequently challenged some versions of this arrangement, and, perhaps because of this, or because many employers may still be unfamiliar with such plans, relatively few establishments aid their employees with their child-care expenses.¹¹

As might be expected, the type and frequency of child-care benefits varies by firm size. Relatively few establishments with less than 50 employees (10 to 49) offered any benefits: 2 percent sponsored day care, another 2 percent gave financial assistance, and 8 percent provided information, referral, or counseling services (or a combination of these). In contrast, 14 percent of those with at least 250 employees sponsored day care or provided financial assistance toward it, and 31 percent provided information, referral, or counseling services (or a combination).

Child-care support benefits appear to be almost unheard of in goods-producing establishments. Undoubtedly, this reflects the fact that relatively few women work in these industries. Among private service-producing establishments, 2 percent sponsored day care, and 4 percent gave some form of financial assistance, while about 10 percent provided information, referral, or counseling.

Among government agencies (Federal, State, and local), however, the proportion supporting some form of day care and information, referral, or counseling was much higher than was the case in private industry, largely because of legislative and executive initiatives. For instance, California has mandated its agencies to provide information and referral services to State employees, as well as the general public. Michigan has established a

Table 2. Characteristics of establishments with 10 or more employees providing child-care benefits or services, by type of benefit or service, summer 1987

Characteristic of establishment	Total establishments (in thousands)	Percent providing:				
		Employer-sponsored day care	Assistance with child-care expenses	Child-care information and referral services	Counseling services	Other child-care benefits
Total	1,202	2.1	3.1	5.1	5.1	1.0
Size						
10 to 49 employees	919	1.9	2.4	4.3	3.8	.7
50 to 249 employees	236	2.2	4.7	6.3	7.6	1.6
250 employees or more	47	5.2	8.9	14.0	17.1	2.9
Industry						
Private, total	1,128	1.6	3.1	4.3	4.2	.9
Goods-producing, total	272	.3	1.9	2.3	3.0	.6
Mining and construction	109	.3	1.5	2.0	.7	.5
Manufacturing, total	163	.3	2.2	2.5	4.6	.7
Durable goods	94	.2	2.4	2.3	4.9	.7
Nondurable goods	69	.4	1.9	2.7	4.2	.8
Service-producing, total	856	2.0	3.5	5.0	4.6	1.0
Transportation and public utilities	59	.1	4.1	3.5	6.1	1.2
Trade, total	427	.1	2.3	4.0	3.1	.4
Wholesale	124	(1)	3.1	4.1	3.6	.5
Retail	303	.1	2.0	3.9	2.9	.4
Finance, insurance, and real estate	80	.6	7.9	8.5	8.1	1.9
Services	290	5.6	4.0	5.9	5.6	1.5
Government	74	9.4	2.9	15.8	18.2	2.3
Industry by size						
Private:						
10 to 49 employees	879	1.5	2.4	3.6	3.1	.7
50 to 249 employees	213	1.8	4.9	5.5	6.4	1.5
250 employees or more	36	2.7	10.3	14.6	17.0	2.7
Goods-producing:						
10 to 49 employees	196	.2	1.3	.9	1.3	.5
50 to 249 employees	62	.8	2.4	4.2	5.1	.7
250 employees or more	14	.3	8.9	13.3	17.9	2.1
Service-producing:						
10 to 49 employees	683	1.9	2.7	4.4	3.7	.7
50 to 249 employees	151	2.2	5.9	6.0	7.1	1.8
250 employees or more	22	4.3	11.3	15.4	16.5	3.1
Transportation and public utilities:						
10 to 49 employees	45	.0	2.4	2.4	4.4	.9
50 to 249 employees	12	.4	7.9	4.8	8.8	1.0
250 employees or more	2	.3	16.4	17.2	23.2	7.8
Trade:						
10 to 49 employees	351	.0	2.2	3.9	2.6	.3
50 to 249 employees	69	.4	2.5	3.6	4.4	1.0
250 employees or more	7	.5	4.6	11.9	11.9	1.1
Finance, insurance, and real estate:						
10 to 49 employees	61	.5	6.1	7.2	5.8	1.9
50 to 249 employees	16	.8	12.1	10.3	14.3	1.5
250 employees or more	3	1.5	24.2	25.9	24.5	5.6
Services:						
10 to 49 employees	226	5.5	2.7	5.0	4.5	1.1
50 to 249 employees	54	5.3	7.9	8.0	7.9	3.1
250 employees or more	10	9.0	11.2	14.3	15.9	2.6
Government:						
10 to 49 employees	40	10.2	2.5	17.9	18.6	1.5
50 to 249 employees	23	6.1	2.8	14.1	17.7	2.9
250 employees or more	11	13.2	4.3	12.0	17.4	3.7

¹Less than 0.05 percent.

pilot day-care program to serve the children of State employees, while New York State, in conjunction with its State employee unions, has created 30 day-care centers and is planning on establishing 50 or more by the end of 1988.¹² Meanwhile, the General Services Administration

of the Federal Government has appointed an official with the specific task of creating more child-care facilities at Federal agencies.¹³

When both the number of employees and the type of industry are taken into account, some interesting patterns

in the availability of child-care benefits emerge. Among goods-producing industries, the proportion of establishments with day-care centers remains very low regardless of the number of employees, but the larger the firm the more likely it was to offer information, referral, and counseling services. Among service-producing establishments, the availability of all four major benefit categories also increases with size. It is notable, however, that in finance, insurance, and real estate, in which only 1.5 percent of establishments with 250 employees or more had day care, about 25 percent had at least one of the following: financial assistance, information and referral, and counseling benefits. Trade establishments, however, despite having a high proportion of female employees, were infrequent providers of benefits. Instead they offered a great deal of schedule flexibility. Service industry establishments with 250 employees or more had the highest proportion providing day-care services.

Indirect benefits

Work-schedule policies that can aid parents in meeting their child-care responsibilities are far more common than child-care support benefits. One obvious reason is that their perceived cost, if any, is less than that of direct benefits. Moreover, such policies do not involve the legal and technical complexities of establishing and maintaining day-care centers or financial assistance benefits.

Flexitime and flexible leave are the most common forms of work-schedule/leave policies cited by employers as being of possible aid to workers with child-care problems. About 43 percent of the establishments maintained flexitime policies and an equal proportion had flexible leave arrangements.

Under flexitime, employees can vary the beginning and end times of their work day; under one version, they can work extra hours on some days so they can work fewer hours on others. Although there is surprisingly little variation in the frequency of this kind of work schedule by size of establishment, it is obviously not appropriate for all industries. Flexitime in private industry is most likely to be found in retail trade establishments and least likely to be found in mining, construction, and manufacturing, in which the close coordination of tasks and workers makes such scheduling difficult.

The retail trade industry is unique in relation to other industry categories. As shown in table 1, 72 percent of retail establishments offer their employees some sort of flexible work-schedule/leave policy benefit. This is not surprising, given the seasonal peaks and troughs in demand for specific types of goods, for example, Christmas, Easter, and summer. Peaks and troughs even occur on a weekly or daily basis. Hence, it is critical for the industry to maintain highly flexible staffing patterns.¹⁴ To attract a flexible work force, retail establishments must be pre-

pared to offer a wide variety of work schedules. This, in turn, represents an ideal situation for persons with off-worksites responsibilities—such as mothers or students—to find employment.

Examples of flexible leave are personal leave, or sick or annual leave flexibly administered—that is, not restricted to a specific time of the year or to periods of illness (some employers allow workers to use sick leave to take care of an ill child) or vacations. Like flexitime policies, the availability of flexible leave varies little by size of establishment but does differ by industry, ranging from 37 percent in manufacturing to 47 percent in retail trade.

About 35 percent of all establishments allowed full-time employees to shift temporarily to part-time jobs on a voluntary basis with corresponding cuts in pay and benefits. The employees might work fewer hours at their usual job or be transferred to a part-time position. This practice is more prevalent among small than large establishments. It was also much more prevalent among the retail trade (50 percent) and services industries (39 percent).

Job sharing, which is the division of one full-time job into two part-time ones held by different people, was offered by about 16 percent of establishments. There was very little variation in the extent of this policy by establishment size; it was more prevalent in government agencies than in industry.

THE INFORMATION COLLECTED in the Survey of Employer-Provided Child Care Benefits shows that employers as a group have yet to respond in a significant way to the child-care needs of their workers. About 90 percent of establishments with 10 or more employees do not provide direct benefits such as day care or financial assistance. While it is true that 60 percent allow employees to alter their work schedules in ways that might help them with child care, it must be kept in mind that these policies serve a variety of purposes and may not have been formulated with child care in mind. Thus, they do not necessarily indicate that employers are focused specifically on the child-care needs of their workers.

Great care must be taken in generalizing from these data about employers' motivations and attitudes regarding child care. Many employers, especially those with few employees, may deal with child-care problems of their workers on an *ad hoc* basis as they arise, rather than offering specific child-care benefits or establishing work-schedule policies with child care in mind. Also, although child-care benefits are sometimes used as a tool for recruitment or retention purposes, many firms may have no problems of this type.¹⁵

Because the 1987 survey was a one-time effort, it is difficult to extrapolate future trends from these data. It found that only 2 percent of the 442,000 establishments that reported no child-care benefits or flexible work-schedule policies said they were "considering" doing

Table 3. Characteristics of establishments with 10 or more employees with work-schedule or leave policies aiding child care, by type of policy, summer 1987

Characteristic of establishment	Total establishments (in thousands)	Percent providing:					
		Flexitime	Voluntary part time	Job sharing	Work at home	Flexible leave	Other
Total	1,202	43.2	34.8	15.5	8.3	42.9	2.1
Size							
10 to 49 employees	919	45.1	36.0	16.0	9.2	43.8	1.9
50 to 249 employees	236	37.7	32.0	13.7	5.6	39.9	2.9
250 employees or more	47	34.9	25.1	15.7	3.6	40.2	3.1
Industry							
Private, total	1,128	43.6	35.3	15.0	8.5	42.9	1.8
Goods-producing, total	272	31.3	22.4	9.0	8.2	37.3	1.3
Mining and construction	109	33.0	20.7	8.2	9.9	37.5	1.2
Manufacturing, total	163	30.1	23.6	9.4	7.0	37.2	1.3
Durable goods	94	27.5	23.2	8.8	4.8	35.3	1.6
Nondurable goods	69	33.8	24.1	10.3	9.9	39.8	0.9
Service-producing, total	856	47.5	39.4	16.9	8.6	44.6	1.9
Transportation and public utilities	59	34.4	24.6	9.6	6.7	40.4	1.2
Trade, total	427	51.2	44.1	18.1	5.6	45.8	1.5
Wholesale	124	32.3	26.6	11.7	9.5	42.5	0.6
Retail	303	58.9	50.4	20.7	4.0	47.2	1.9
Finance, insurance, and real estate	80	38.9	26.1	14.9	13.7	41.4	1.1
Services	290	47.2	39.2	17.3	12.2	44.6	3.0
Government	74	37.5	26.7	23.5	4.0	43.7	7.1
Industry by size							
Private:							
10 to 49 employees	879	45.3	36.3	15.6	9.4	43.7	1.6
50 to 249 employees	213	38.5	32.9	12.7	5.6	39.9	2.3
250 employees or more	36	36.1	25.0	13.9	2.8	38.9	2.8
Goods-producing:							
10 to 49 employees	196	34.6	24.5	10.5	9.4	39.5	1.1
50 to 249 employees	62	23.5	17.9	4.6	5.3	31.9	1.6
250 employees or more	14	19.4	14.0	6.7	3.1	32.0	1.9
Service-producing:							
10 to 49 employees	683	48.3	39.6	17.1	9.4	44.9	1.7
50 to 249 employees	151	44.4	39.0	16.1	5.9	43.1	2.9
250 employees or more	22	44.7	34.1	17.9	4.6	44.5	3.7
Transportation and public utilities:							
10 to 49 employees	45	34.6	25.3	9.8	7.0	40.5	.8
50 to 249 employees	12	32.4	21.9	8.5	6.0	39.1	2.0
250 employees or more	2	41.4	24.6	10.9	4.2	45.0	4.7
Trade:							
10 to 49 employees	351	51.4	44.5	18.2	6.0	46.6	1.4
50 to 249 employees	69	50.4	42.1	17.8	3.7	41.1	1.9
250 employees or more	7	46.5	41.9	15.6	3.9	51.4	3.5
Finance, insurance, and real estate:							
10 to 49 employees	61	38.5	26.0	16.5	15.1	41.4	.8
50 to 249 employees	16	39.6	26.0	8.4	9.3	41.1	1.8
250 employees or more	3	44.6	26.8	16.2	7.1	44.5	3.7
Services:							
10 to 49 employees	226	48.8	38.6	17.0	13.7	44.2	2.5
50 to 249 employees	54	40.8	42.8	17.9	7.7	47.2	4.7
250 employees or more	10	44.3	32.9	21.9	4.4	39.3	3.6
Government:							
10 to 49 employees	40	41.1	29.8	24.4	4.2	46.2	8.4
50 to 249 employees	23	32.1	23.5	22.4	4.1	39.9	6.8
250 employees or more	11	35.5	21.7	22.6	3.4	42.2	3.3

something in the future. This appears to contradict more optimistic reports and comments by experts in the field of child care which indicate that employers are generally becoming more supportive of the child-care needs of their workers.¹⁶ However, these reports are more often than not based on anecdotal evidence rather than surveys with consistent methodologies and definitions, and so it is very

difficult to derive accurate estimates of the trends in employer policies regarding child care.

—FOOTNOTES—

¹See U.S. Department of Labor, Report of the Secretary's Task Force, *Child Care: A Workforce Issue*.

²See, for example, Beth E. Hoffman, "Employee surveys spark decision to establish child care," *Quirk's Marketing Research*, August-September, 1987, p. 34; or "California makes business a partner in daycare," *Business Week*, June 8, 1987, p. 100.

³For more information on the survey methodology, see Technical Note in "BLS Reports on Employer Child-Care Practices," *USDL News*, 88-7, Jan. 15, 1988.

⁴According to the *BLS Handbook of Methods*, an establishment is defined as an economic unit which produces goods or services, such as a factory, mine, or store. It is generally at a single location and engaged predominantly in one type of economic activity. Where a single location encompasses two or more distinct activities, these are treated as separate establishments, provided that separate payroll records are available and certain other criteria are met. See Bulletin 2285 (Bureau of Labor Statistics, 1988), p. 13.

⁵For further information on children and mothers, see "Over half of mothers with children one year old or under in labor force in March 1987," *USDL News*, 87-345, Aug. 12, 1987.

⁶U.S. Bureau of the Census, Current Population Reports, Household Economic Studies, Series P-70, No. 9, *Who's Minding the Children? Child Care Arrangements: Winter 1984-85* (U.S. Government Printing Office, Washington, 1987), p. 3, table B.

⁷*Ibid.*, p. 10, table F.

⁸See M. Purnell and P. Proctor, *Industry Sponsored Child Care: A Question of Productivity*, 1977 (Texas, Industrial Commission, 1977); or P. Voydevoff, *Implications of Work-Family Relationships for Productiv-*

ity (White Plains, NY, Work in America Institute), *Studies in Productivity*, Vol. 13 (New York, Pergamon Press, 1982).

⁹See Sheila B. Kamerman and Alfred J. Kahn, *The Responsive Workplace: Employers and a Changing Labor Force* (New York, Columbia University Press, 1987), p. 236.

¹⁰This law created a new Section 129 of the Internal Revenue Code that provides that employees may exclude from their gross income amounts paid by employers under qualified dependent care assistance programs. Employers, in turn, may deduct as an employee fringe benefit all amounts paid into the plan. See *Employees and Child Care: Development of a New Employee Benefit*, BNA Special Report (Washington, The Bureau of National Affairs, Inc., 1984), p. 13. In effect, the Federal Government is providing the benefit, because employees' Federal income tax obligations are reduced and these savings partially offset child-care expenses.

¹¹*Ibid.*, pp. 14-16.

¹²Statement of Shirley Dennis, director, Women's Bureau, U.S. Department of Labor, before the Subcommittee on Government Operations, U.S. House of Representatives, September 9, 1987.

¹³For an overview of Federal efforts to establish day-care centers for Federal employees, see Lesley Barnes, "Agencies Open Doors to On-Site Sitting," *Government Executive*, vol. 20, No. 3, p. 50.

¹⁴See Steven E. Haugen, "The employment expansion in retail trade, 1973-85," *Monthly Labor Review*, August 1986, p. 13.

¹⁵*Employees and Child Care*, pp. 6-7.

¹⁶*Ibid.*, p. 5.