A Needs Assessment of Alaska’s Mixed-Delivery System of Early Childhood Care and Education

December 2019

Alaska’s early childhood care and education system assessment focuses on strengths and needs, particularly for rural, disadvantaged and low-income children prenatal through age 8. The report informs efforts to improve the quality, availability and affordability of services for all Alaska children.

Research Shows Quality Early Care and Education...

- Helps close achievement gaps so all children can thrive
- Enables parents and caregivers to work or study and increases economic mobility
- Underpins a robust economy
- Reduces need for special education
- Improves lifelong health and reduces rates of crime in adulthood

“Quality early childhood education can compensate for developmental delays, boost earnings, and reduce inequality.”

- James Heckman, Nobel Prize-winning economist

Alaska's early childhood strategic plan was based on findings and considerations from the needs assessment. Early Childhood Alaska: A Strategic Direction for 2020-2025, June 2020 is available at www.earlychildhoodalaska.com

The needs assessment was made possible by a Preschool Development Grant (PDG B-5) awarded to the Alaska Department of Education and Early Development in partnership with the Alaska Department of Health and Social Services, Grant Number 90TP0012 from the Office of Child Care, Administration for Children and Families, U.S. Department of Health and Human Services. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the Office of Child Care, the Administration for Children and Families, or the U.S. Department of Health and Human Services.
Alaska's Early Care & Education System

is a network of health, social services, child care, and education programs and services that support lifelong learning and well-being for young children and their families, including:

- Government-regulated early intervention, home visiting, and care and education providers
- Tribal-approved care and education providers and other tribal programs
- Head Start and Early Head Start
- Public pre-kindergarten and public schools
- Private exempt providers
- Before and after-school programs
- Providers who are not regulated, mainly providing child care
- Health (physical, mental, dental) and social services

Early Care and Education Need

32,200 children are typically in early care and education programs

Another 14,400 children need care because all adults in the home are in the workforce
  - Includes 3,700 in rural Alaska
  - Includes 4,800 in low-income families

In 22% of Alaska households with children, an adult is not employed or works fewer hours than they otherwise would due to a lack of child care

Some military and tribal child care spaces may not be counted due to data collection barriers.

Unmet Need by Borough

% of total population with outstanding need

Surveys show all families prioritize quality, but low-income families are often forced to compromise due to limited availability and high costs.

Accessibility, Affordability, Quality

Families are looking for early childhood programs that are...

- **Accessible and Available** - locations and schedules work for families
- **Affordable** - families can cover costs without undue hardship
- **Quality** - programs are safe and meet families’ expectations

Alaska Cost of Licensed Child Care as a Percent of Household Income

<table>
<thead>
<tr>
<th>Married couple households</th>
<th>Single male households</th>
<th>Single female households</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>23%</td>
<td>34%</td>
</tr>
</tbody>
</table>

The federal government says affordable care costs no more than 7% of a family’s income.

Average Alaska Child Care Space Costs Per Year

$12,000

Most Important Barriers to Finding Child Care in Alaska

- **Quality** 20% 22% 14%
- **Availability** 28% 22% 50%
- **Cost** 51% 56% 36%

Results from Alaska households with adult not employed or working fewer hours than they otherwise would due to lack of child care.

Early Care and Education Funding

- The U.S. and Alaska spend about 0.5% of GDP on early care and education.
- The U.S. ranks 36th of the 39 “developed” (OECD) nations in spending on early care and education as a percent of GDP.
- In Alaska, household spending is the largest source of early care and education funding.

Spending on Alaska Early Care and Education Programs and Services (U.S.$ million)

- Federal: $133M
- State: $22M
- Household: $214M

Alaska’s Early Childhood Workforce

7,200 full and part-time jobs in 2019

Average Monthly Wages for Select Alaska Sectors, 2017

<table>
<thead>
<tr>
<th>Sector</th>
<th>Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing Stores</td>
<td>$1,508</td>
</tr>
<tr>
<td>Arts, Ent. &amp; Rec.</td>
<td>$1,818</td>
</tr>
<tr>
<td>Child Care Workers</td>
<td>$1,845</td>
</tr>
<tr>
<td>Gasoline Stations</td>
<td>$2,154</td>
</tr>
<tr>
<td>Grocery Stores</td>
<td>$2,314</td>
</tr>
<tr>
<td>Educational Services</td>
<td>$2,733</td>
</tr>
<tr>
<td>Residential Construction</td>
<td>$3,658</td>
</tr>
<tr>
<td>Seafood Processing</td>
<td>$3,935</td>
</tr>
<tr>
<td>All Industries</td>
<td>$4,434</td>
</tr>
<tr>
<td>Private Sector</td>
<td>$4,433</td>
</tr>
</tbody>
</table>

Results from Alaska households with adult not employed or working fewer hours than they otherwise would due to lack of child care.

Some military and tribal child care spaces may not be counted due to data collection barriers.

Wages of early childhood professionals are among the lowest in the Alaska economy, at about 40% of average monthly private sector wages.

Alaska early childhood workforce wages are 15% below the national average for purchasing power.

There is high turnover (43% annually) in the early childhood workforce.

More affordable and flexible training opportunities are needed.

Pre-K teachers are paid less than other education professionals with similar credentials.

Unmet Need by Borough

% of total population with outstanding need

Surveys show all families prioritize quality, but low-income families are often forced to compromise due to limited availability and high costs.