

Corporate day-care faces financial problems

by Richard Lemon

Corporation presidents laugh at the idea, working mothers show little interest in it, and city and state regulations often make the whole thing an expensive nightmare. Against such odds it would seem that the notion of company-operated day-care centers might never progress beyond the gleam in a sociologist's eyes.

But 11 such centers now exist in the U.S., and many observers believe they represent an idea whose time has come. This belief is based on three facts:

- 1) Corporate day-care centers are increasingly important in a country with 4.6 million working mothers of children under six.
- 2) Such centers apparently reduce costly absenteeism, lateness and turnover.
- 3) And many of the centers have already proved a boon to employers and working mothers alike.

"I think we're going to see a helluva lot more corporate day care," says Roger Wheeler, general manager of corporate personnel for Control Data Corp., which runs a center for the children of 30 employees in Minneapolis. "If the government would help with some of the unusual costs, like creation of facilities, then business, with its interest in a stable work force, would join in a good marriage. I think such a marriage is imminent."

The idea of a company caring for its employees' young is nothing new. The oldest such center in the country seems to be one now run by the Curlee Clothing Co. in Mayfield, Ky.; it apparently was started so that wives could make uniforms for their men during the Civil War.

During World War II, similarly, a number of centers were created and subsidized under the Lanham Act. But the act ended with the war, most of the centers closed, and interest in the idea has only recently revived.

Many of those who have looked into the problems have given up because of the expense. The Labor Department has found the existing programs cost anywhere from \$1,000 to \$2,800 per child, while executives of one major bank in New York put the potential cost of running a center on Wall Street at a staggering \$3,500 per child.

Even after the company's subsidy, the costs to a working mother may be high. At the Green Shoe Manufacturing Co. center in the Roxbury Ghetto, near Boston, the weekly charge ranges from \$10 to \$25 per child. At a Vanderbilt Shirt Co. center in Asheville, N.C., the cost is \$13 for the first child and \$9 for other children. Vanderbilt's president Herbert Wadepin notes that such fees may seem high to mothers "if they can get Grandma for free."

And in fact, fewer than half of the 80 eligible children of Vanderbilt employees have been enrolled, while at a KLH center in Cambridge, only four of 70 children belong to KLH employees; most of the rest are children of workers at Polaroid or M.I.T. or are sent by the welfare department.

Governmental regulations can present an even more intimidating hurdle. "The whole thing about establishing a day-care center here is wild," says Jan Tyroler of the Agency for Child Development in New York. "You finally get to step five and they say, 'Go back to step two-and-a-half.'"

The maze of regulations created by fire, health and building departments in New York has been cited by one frustrated bank official as a major reason for the collapse of one planned program. The elaborate rules cover, among other things, group composition, location (not above the second floor), required consulting services (at least seven must be available), and the precise dimensions of tables where diapers are to be changed.

A Polaroid official in Boston calls wading through the city and state requirements there "an unbelievable hassle," and St. Luke's Hospital in San Francisco found that, to comply with regulations, a center for 100 kids would have to take up an entire city block and cost almost \$1 million.

As a result, many of the successful centers have been founded outside large cities, often by textile firms, which have a high percentage of women working. And the results at these centers have been impressive. The Vanderbilt center in Asheville has found that the absentee rate of mothers with enrolled children is less than half that of eligible mothers who aren't using the center.

Some non-corporate centers have reported the same sort of results. The Memorial Baptist Hospital in

Houston has been providing day care for nurses' children since 1955. "We have about 50 mothers who wouldn't work down here if they couldn't bring their children," says Jennette James, the supervisor. The Amalgamated Clothing Workers of America (ACWA) has opened a free center for its members in Chicago, and B. Kuppenheimer & Co. is now planning to convert one of its warehouses to a second center to be run by the ACWA.

In Washington, the Department of Labor has a two-and-a-half year old day-care center for 63 children. Some 53 per cent of the supervisors of mothers using the center have reported an improvement in attendance and promptness, and 71 per cent report an improvement in performance.

But to some advocates of corporate child care, such benefits are only part of a broader picture of company responsibility, which is far more important than the obvious problems involved in getting a center started. "These people are not only our employees, they're our customers, too," says Vanderbilt president Herbert Wadepin. "If a company isn't part of its community these days, it's just not going to keep good workers."

Newsweek Feature Service



Hikers raise funds, blisters

Almost 2,000 persons raised blisters and almost \$30,000 in a 21-mile walk Saturday. The hike, the second annual Walk for Development, was sponsored by the American Freedom from Hunger Foundation.

Mike Jank, walk co-ordinator, labeled the walk "a big success." He said the participants raised about \$30,000 for 15 local and foreign projects.

Each walker was sponsored by a firm or individual who paid the participant for each mile walked.

The group, mostly high school and junior high students, set off from the State Fairgrounds at 7:30 a.m. Most finished the course which led through downtown Lincoln and into the rural area northwest of town.

The hikers were joined by three politicians: Rep. Charles Thone; Wallace Peterson, candidate for the U.S. Senate; and Darrel Berg, candidate for Congress from the first congressional district.

Library seeks student input

Students and faculty will have an opportunity Monday to help establish priorities and voice gripes about Love Library, according to Director of Libraries John Heussman.

The library staff wants to know where the library should direct its rather limited means, Heussman said.

"We want to know what the user requires and if the things he needs are available in the library," he said.

About ten per cent of the student and faculty population will receive the 75-question form, Heussman said. There is space at the end of the form if the anonymous respondents wish to make additional comments, he added.

