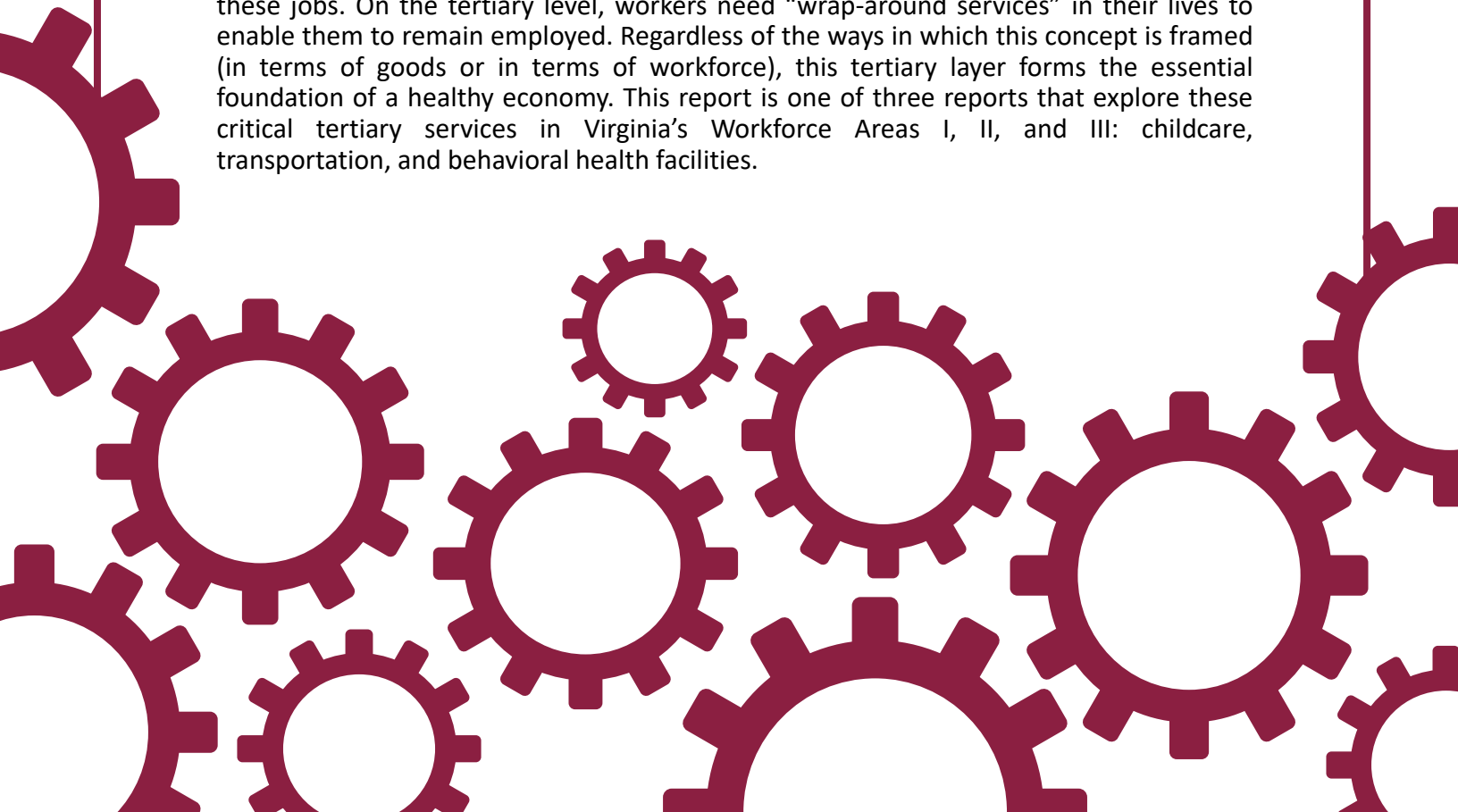


Tertiary Workforce Services Analysis in Southwest Virginia

Childcare

There are many layers to a thriving workforce. According to the three-sector economic theory, there is a need for “primary sector” raw materials, “secondary sector” manufacturing and production of goods, and “tertiary sector” services such as transportation, distribution, and customer service (Fisher, 1939; Clark, 1940; Fourastie, 1954). The concept behind these three layers can be applied not only to the production of goods, but also to the *workforce* itself. On the primary level, workers need the basic raw materials, namely employment opportunities (businesses). On the secondary level, workers need the education, training, and professional development to prepare them for these jobs. On the tertiary level, workers need “wrap-around services” in their lives to enable them to remain employed. Regardless of the ways in which this concept is framed (in terms of goods or in terms of workforce), this tertiary layer forms the essential foundation of a healthy economy. This report is one of three reports that explore these critical tertiary services in Virginia’s Workforce Areas I, II, and III: childcare, transportation, and behavioral health facilities.





SUMMARY

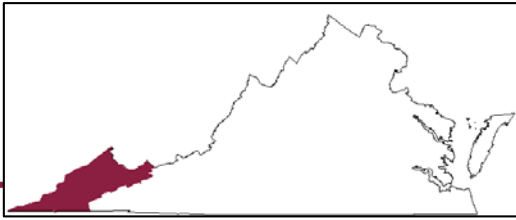
Childcare needs are a critical consideration for our workforce. Working parents depend on accessible, affordable, available, and high-quality childcare in order to acquire or maintain employment. Demand for higher access to affordable childcare is the second most cited service gap in the region according to workforce stakeholder organizations. This report analyzes the extend to which workers can access childcare service in three workforce development regions: Far Southwest Virginia, New River Mount Rogers, and Virginia's Blue Ridge Works.

To assess the current status of childcare provision in the regions of Southwest Virginia, the Virginia Tech Office of Economic Development created a childcare inventory, which can be found here: <https://goo.gl/IX5WRJ>. This inventory was created by compiling data from multiple daycare databases, such as that of the Department of Social Services, and then verifying that data through intensive primary and secondary data gathering. The inventory includes child day centers, voluntarily registered home-based childcare, Head Start facilities, public school pre-school facilities, and religious exempt childcare. Home-based childcare units that have not been documented on any reliable online database were not included. The data is also publicly accessible on a Google Map, available here: <https://goo.gl/inDiMX>. As of February 2017, a local coding organization, Code for NRV, is in the process of converting this inventory into a publicly accessible and searchable website for job seekers and childcare service providers, and a local group of organizations and stakeholders has agreed to participate in the maintenance of this resource.

Based on the analysis of this inventory as it relates to larger population trends, key findings include:

- There is a notable geographical gap in childcare, where most facilities are located within population and employment centers: Abingdon, Blacksburg, Bristol, Christiansburg, Norton, and Roanoke. While this is expected, parents who live outside of these population centers may have to find alternative childcare options if they wish to keep their children closer to home, or they must find options closer to these population/employment centers, hopefully closer to work.
- This region falls behind the state and nation in terms of number of registered facilities per 1,000 children and proportion of children living in poverty. The capacity of existing childcare facilities meets anywhere from 10-30% of demand (as determined by 2015 population counts).
- Other access challenges that arose in this research included the cost of childcare for many workers, the hours of operation for these facilities, and the question of "quality" childcare. Lower paid workers and those with second and third shifts may have little hope of accessing registered childcare services.
- This research did not delve into access related to infant care and more informal childcare networks, both of which are presumably vital in these regions.

The following pages break down key statistics for each of the three workforce regions.



FAR SOUTHWEST VIRGINIA WORKFORCE DEVELOPMENT AREA I (WDA I)

23,000

WDA I has approximately 23,000 **children** ages zero to twelve.

9.1

WDA I has 9.1 **registered childcare facilities** for every 1,000 children ages five and under. Meanwhile, Virginia has 12.0 registered childcare facilities for every 1,000 children ages five and under.

13.6%

13.6% of children under 5 years live with relatives living in **poverty** in WDA I, compared to 0.7% in Virginia and 2.5% in the nation.

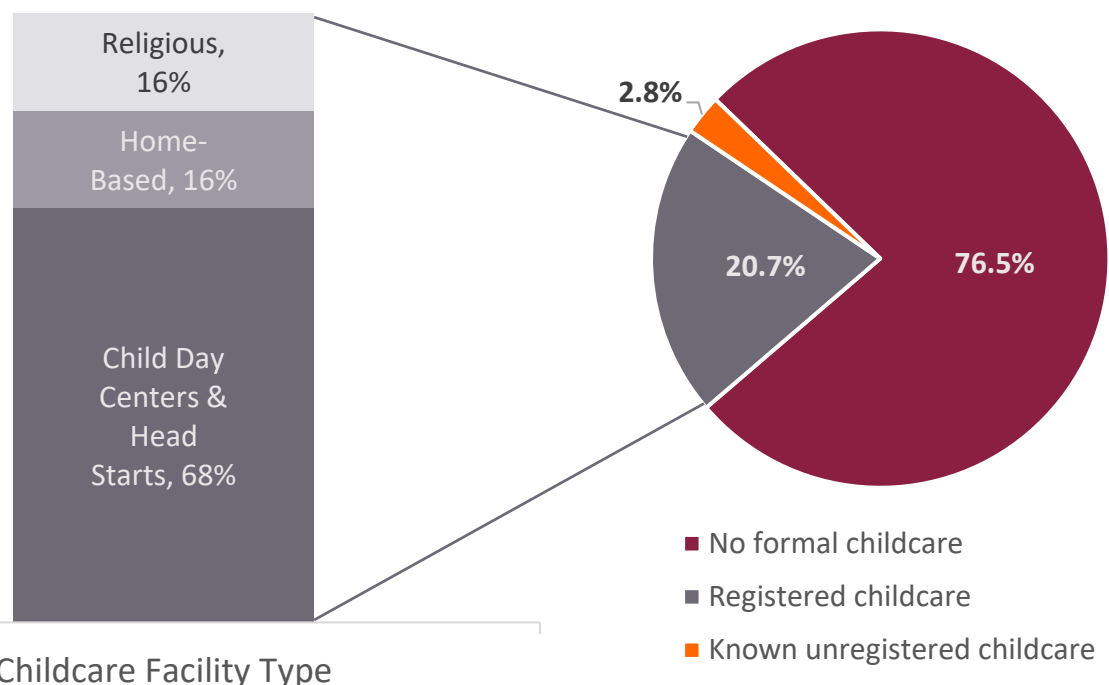
5.4%

5.4% or approximately 4,288 **households** in WDA I have children ages five and under. Of these, 33% are single-parent households. Both Virginia and the U.S. have slightly higher percentages of households with children under six, 6.8% and 6.2% respectively.

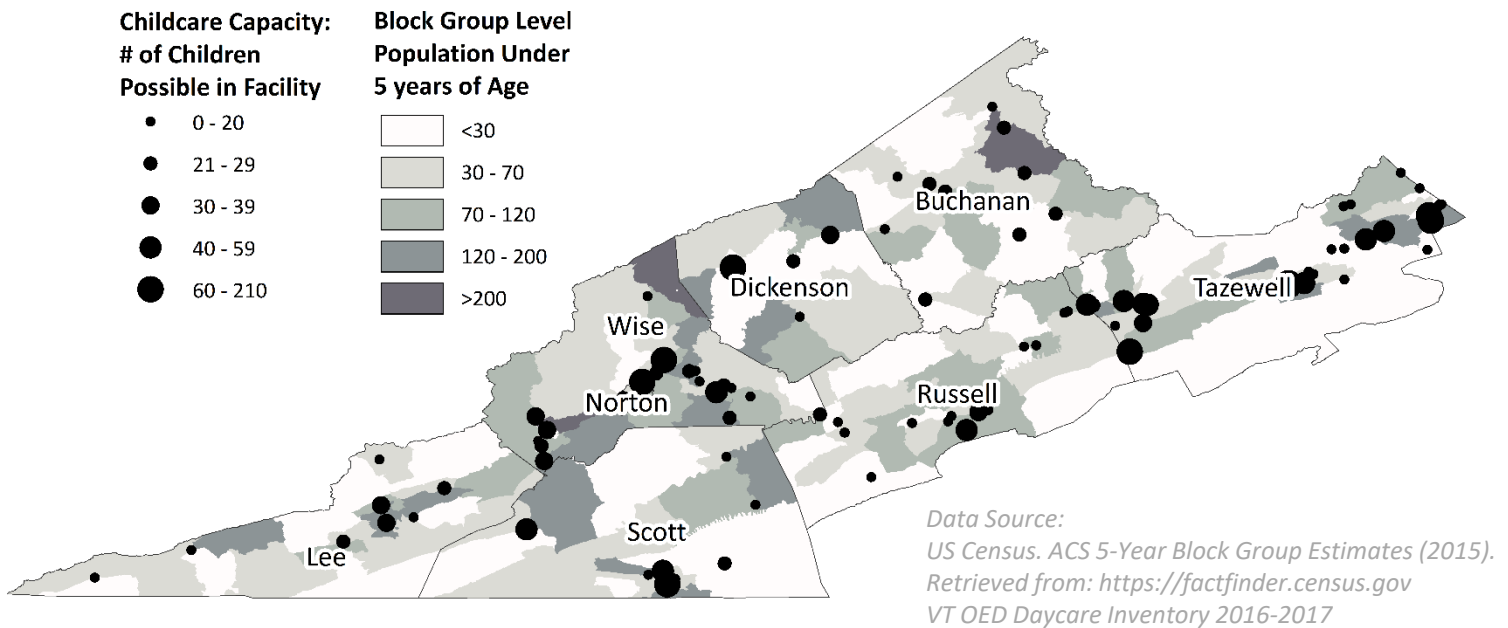
217

217 recorded **childcare workers** (both public, private and self-employed) were in WDA I in 2017, representing a 45% decrease since 2007. One reason for this low number is the median hourly wage of \$7.49.

Childcare Coverage in Southwest Virginia (For Ages 0-5)



Significant variation in childcare capacities within the region exist. The majority of facilities are located in municipal and workforce centers.



Childcare Facilities by County in Workforce Development Area I (Southwest Virginia)

County or City	Young Children (Age 0-5)	Children (Age 0-12)	Total Registered Childcare Establishments	Total Known Childcare Establishments (Including Unregistered)	Avg Capacity (Children Ages 0 - 12 Served) Per Establishment	% Children Aged 0-5 Served	% Children Aged 0-12 Served
Buchanan	1,114	2,964	11	15	24	28.5%	9.4%
Dickenson	875	2,274	4	4	41	13.8%	7.3%
Lee	1,319	3,408	10	10	23	16.3%	6.8%
Norton	243	593	3	3	41	39.1%	20.7%
Russell	1,549	3,976	10	12	21	13.4%	6.0%
Scott	1,173	3,001	8	12	38	29.0%	13.0%
Tazewell	2,325	6,179	21	34	24	20.1%	13.4%
Wise	2,319	5,870	14	20	24	14.9%	8.2%
TOTAL	8,928	23,027	81	110	27	20.7%	10.2%



New River Mount Rogers Workforce Development Area II (WDA II)

44,000

WDA II has approximately 44,039 **children** ages zero to twelve.

8.3

WDA II has 8.3 registered **childcare facilities** for every 1,000 children ages five and under. Meanwhile, Virginia has 12.0 registered childcare facilities for every 1,000 children ages five and under.

5.6%

5.6% of children under 5 years live with relatives living in **poverty** in WDA II, compared to 0.7% in Virginia and 2.5% in the nation.

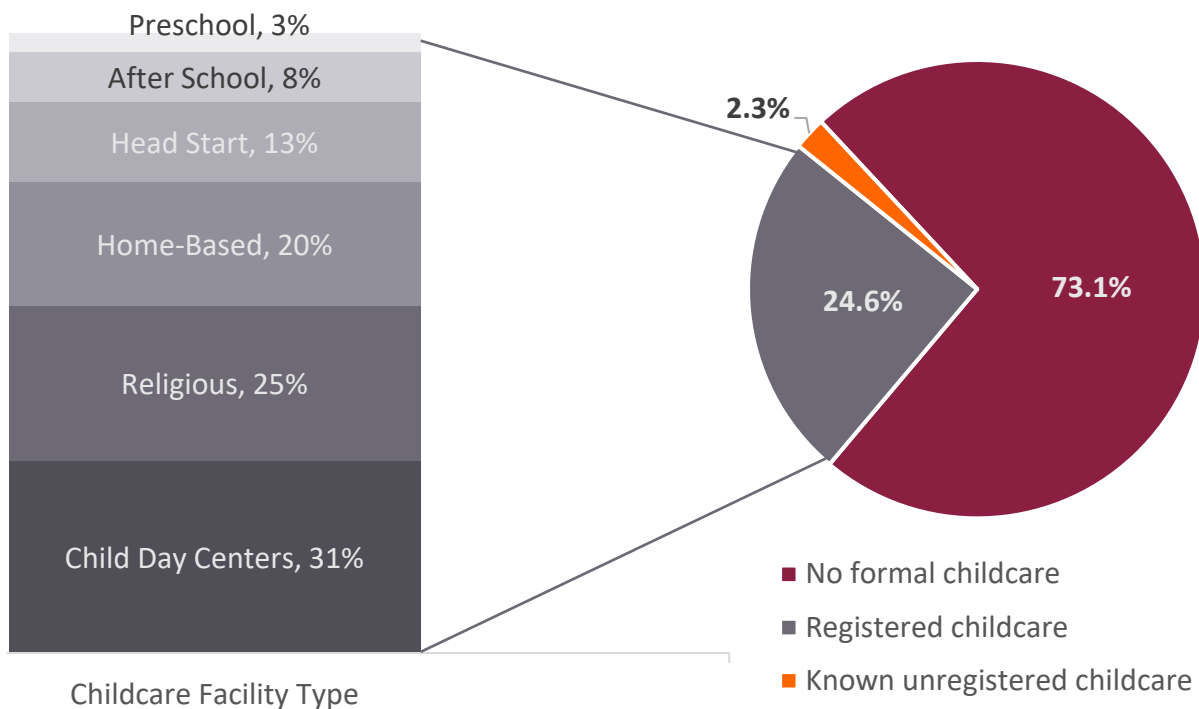
5.4%

5.4% or approximately 8,081 **households** in WDA II have children ages five and under. Of these, 32% are single-parent households. Both Virginia and the U.S. have slightly higher percentages of households with children under six, 6.8% and 6.2% respectively.

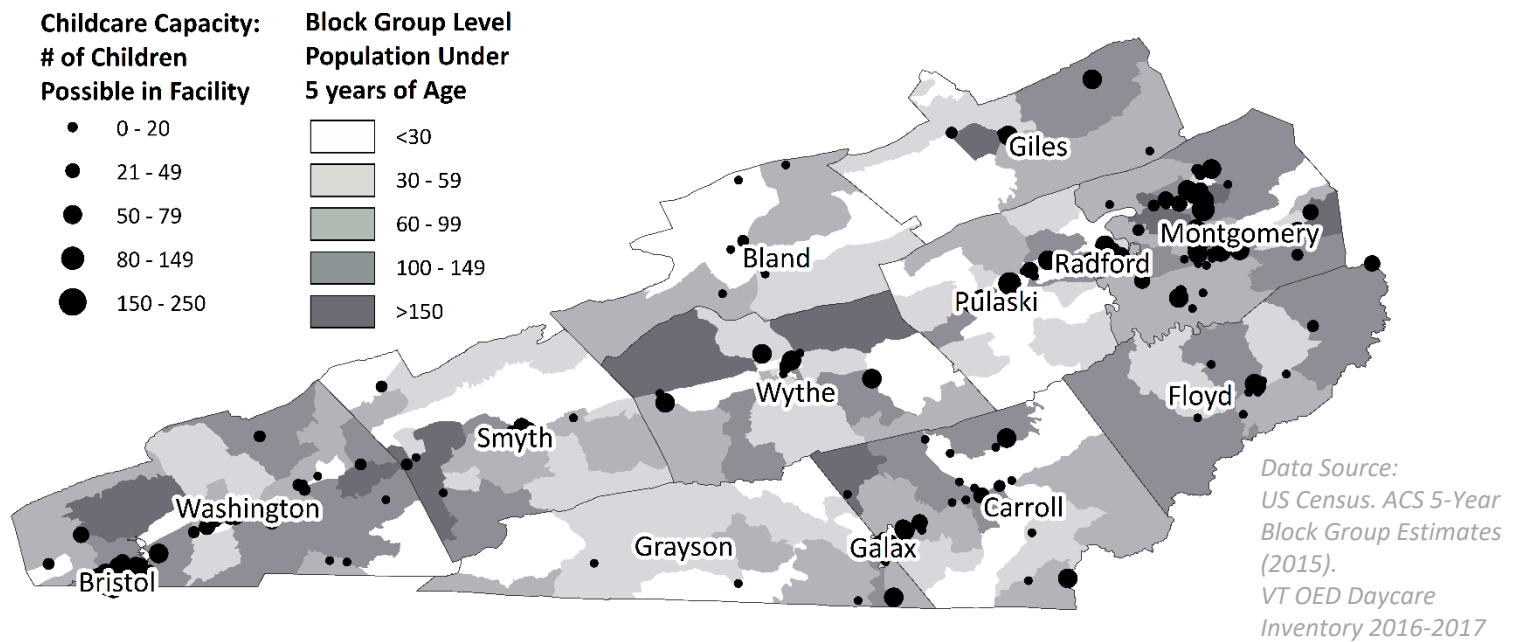
978

978 recorded **childcare workers** (both public, private and self-employed) were in WDA II in 2017, representing a 16% decrease since 2007. One reason for this low number is the median hourly wage of \$8.11.

Childcare Coverage in New River Mount Rogers (For Ages 0-5)



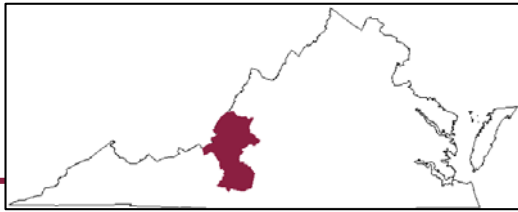
Significant variation in childcare capacities within the region exist. The majority of facilities tend to fall in population hubs along major highways (I-81).



Childcare Facilities by County in Workforce Development Area II (New River Mount Rogers)

County or City	Young Children (Ages 0-5)	Children (Ages 0-12)	Total Registered Childcare Establishments	Total Known Childcare Establishments (Including Unregistered)	Avg Capacity (# Children Aged 0 -12 Served) Per Establishment	% Children Aged 0-5 Served	% Children Aged 0-12 Served
Bland	306	623	2	7	18	22.9%	20.7%
Bristol	1,234	2,507	20	23	77	67.8%	70.5%
Carroll	1,764	3,658	12	15	32	15.6%	12.9%
Floyd	900	1,974	8	10	29	19.9%	14.6%
Galax	335	883	10	14	40	117.6%	62.9%
Giles	983	2,268	7	8	45	25.4%	15.7%
Grayson	826	1,779	2	3	15	4.7%	2.6%
Montgomery	5,295	10,415	51	56	57	30.1%	30.7%
Pulaski	2,007	4,176	9	10	57	16.8%	13.7%
Radford	604	1,299	9	10	70	65.4%	53.7%
Smyth	1,974	3,908	12	14	39	16.5%	13.8%
Washington	3,135	6,699	23	25	39	18.7%	14.4%
Wythe	1,596	3,850	10	11	51	21.7%	14.6%
TOTAL	20,959	44,039	175	206	47	24.6%	23.1%

Source: U.S. Census ACS; Virginia Tech Office of Economic Development Childcare Inventory 2016-2017



Virginia's Blue Ridge Works Workforce Development Area III (WDA III)

46,000

WDA III has approximately 45,556 **children** ages zero to twelve.

9.0

WDA III has 9.0 **registered childcare facilities** for every 1,000 children ages five and under. Meanwhile, Virginia has 12.0 registered childcare facilities for every 1,000 children ages five and under.

6.1%

6.1% of children under 5 years live with relatives living in **poverty** in WDA III, compared to 0.7% in Virginia and 2.5% in the nation.

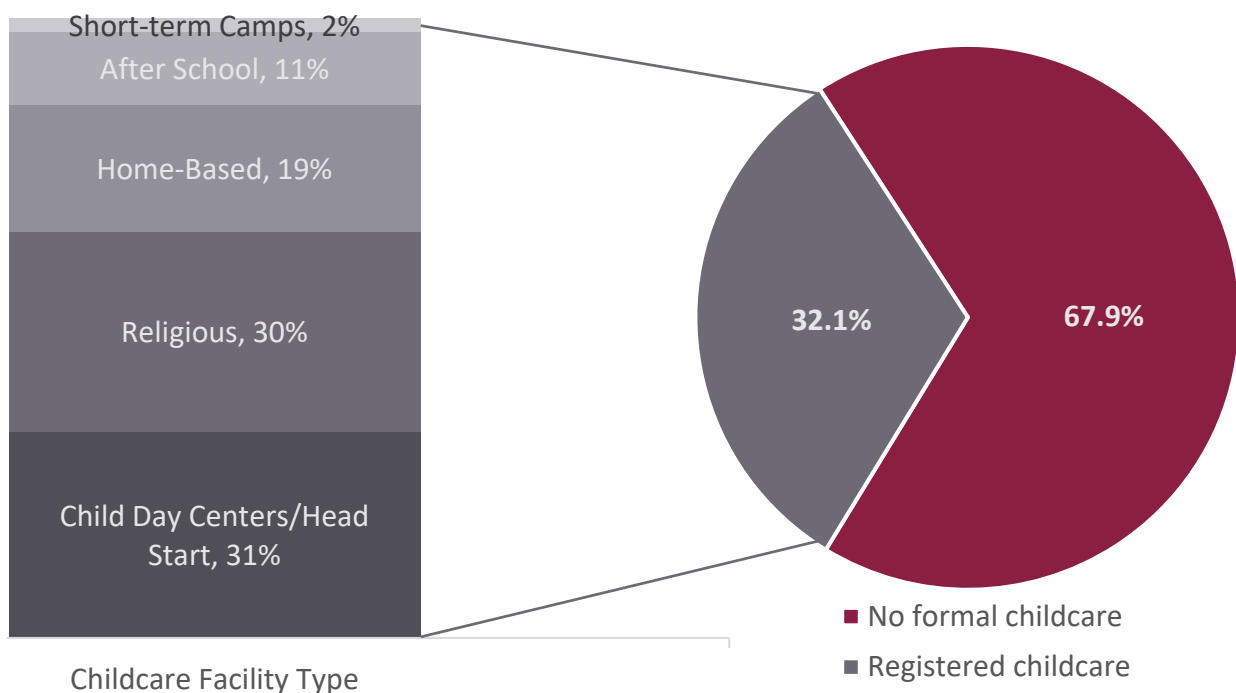
5.6%

5.6% or approximately 7,763 **households** in WDA III have children ages five and under. Of these, 37% are single-parent households. Both Virginia and the U.S. have slightly higher percentages of households with children under six, 6.8% and 6.2% respectively.

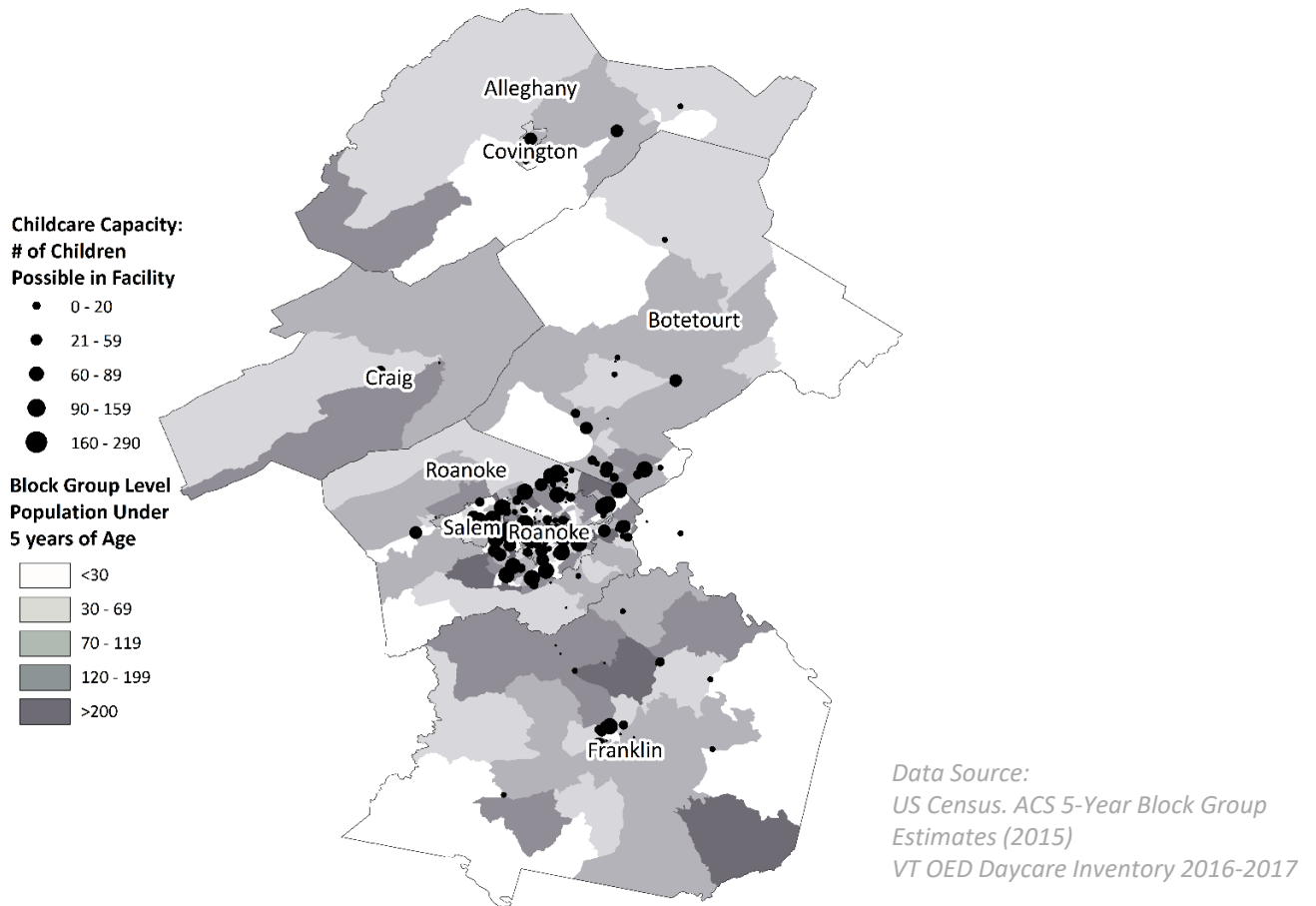
1,232

1,232 recorded **childcare workers** (both public, private and self-employed) were in WDA III in 2017, representing a 15% decrease since 2007. One reason for this low number is the median hourly wage of \$8.36.

Childcare Coverage in Virginia's Blue Ridge Works (For Ages 0-12)



Significant variation in childcare capacities within the region exist. The majority of facilities tend to reside in the region's greatest population hub, Roanoke-Salem.



Childcare Facilities by County in Workforce Development Area III (Virginia's Blue Ridge Works)

County*	Young Children (Age 0-5)	Children (Age 0-12)	Total Registered Childcare Establishments	Avg. Capacity (# Children Aged 0 -5 Served) Per Establishment	Avg. Capacity (# Children Aged 0 -12 Served) Per Establishment	% Children Aged 0-12 Served
Alleghany & Covington	1,282	2,694	8	24	46	13.6%
Botetourt	1,748	4,093	14	22	70	23.8%
Craig	302	813	2	27	47	11.4%
Franklin	3,368	7,245	29	21	51	20.6%
Roanoke City, Roanoke County, & Salem	15,266	30,711	144	41	82	38.4%
TOTAL	21,966	45,556	197	35	73	32.1%

*Cities are grouped with their surrounding counties in this table because a high percentage of childcare centers in Area III do not differentiate between city and county when identifying their locations or service areas.

Source: U.S. Census ACS; Virginia Tech Office of Economic Development Childcare Inventory 2016-2017



ACKNOWLEDGEMENTS

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Virginia Tech Office of Economic Development is part of the Outreach division of Virginia Tech, meant to serve as one arm in advancing the university's land-grant mission. The Office of Economic Development (OED) helps Virginia communities find their paths to prosperity by providing leadership in many areas of economic development, including technology, workforce, entrepreneurship, and community development. Sarah Lyon-Hill, Ross Hammes, Allison Homer, Faruk Hesenjan, Luis Camacho, Ronnie Stephenson, and Maeve Gould played key roles in the development of these reports.

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For more information, contact:

Scott Tate
Associate Director
Office of Economic Development
Virginia Tech
atate1@vt.edu
540-231-2351

Sarah Lyon-Hill
Senior Economic Development Specialist
Virginia Tech
sarahlh@vt.edu
540-231-9940

