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Economic Stability

2021 Military Family Lifestyle Survey Comprehensive Report

Spouse Employment and Child Care

In collaboration with

S **Syracuse University**

**D'Aniello Institute for
Veterans & Military Families**

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Spouses are dropping out of the labor force, despite expanded remote work opportunities — a preferred solution for military spouse employment. Service members' work schedules and child care remain the top barriers to spouse employment.

Military spouse employment is again a top-five military life issue for nearly half (47%) of all active-duty spouse respondents and a quarter of active-duty service member respondents (25%). The percentage of active-duty spouse respondents^a who are unemployed (20%) remains consistent with last year's findings,¹ though the number of spouses participating in the labor force dropped to 58%.^b The percentage of active-duty spouses participating in the labor force is also lower than the overall U.S. labor force participation rate of 72% for those who are female, ages 18-45, in the same time period as survey fielding.² Similarly, the proportion of part- or full-time employed active-duty spouse respondents who report some degree of underemployment is consistent with the 2020 Military Family Lifestyle Survey (MFLS), with two-thirds (63%) reporting at least one circumstance of underemployment.^c

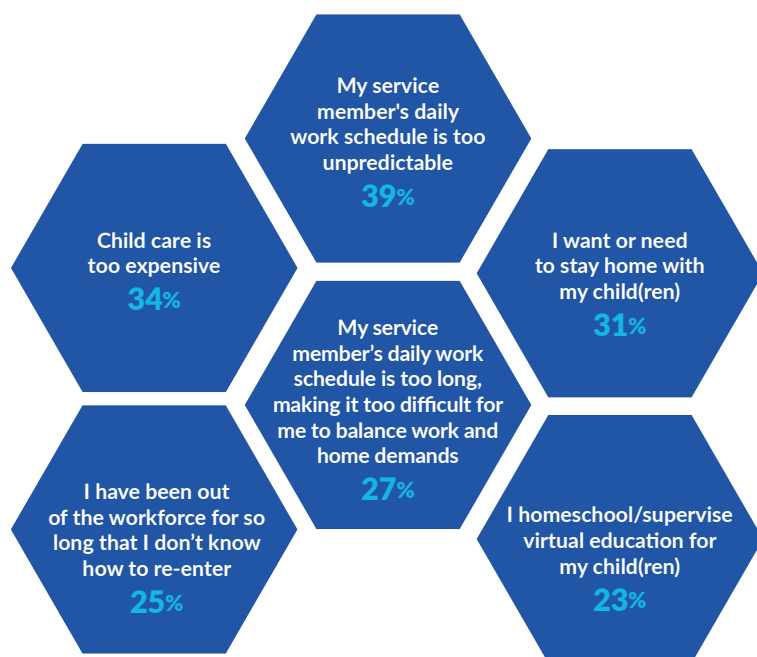
The necessary role of schools and adequate child care for families to be able to continue working without disruption and for businesses to keep their workforce in place was highlighted by the COVID-19 pandemic.³ The move to

virtual education for children during the pandemic had tremendous impacts on military spouse employment in the 2020 MFLS, as "I homeschool/supervise virtual education for my child(ren)" was the top reason for not working among spouses who need or want to work. As children began to return to in-person education, fewer spouses reported virtual education as a reason for not working. However, several aspects related to military lifestyle — including service members' unpredictable daily work schedule and expensive child care — remain top barriers to employment.

When personal well-being, financial security, and managing family obligations are at odds, spouses may decide to leave the labor force altogether.⁴ This decision, however, can have lasting impacts on spouse wage growth, retirement savings, and the ability to reenter the workforce easily at a later time.⁵ While child care costs and availability

Figure 1: Top Reasons for Not Currently Working

Active-duty spouses who are not currently working but want or need paid employment



^aAll statistics referenced in this finding exclude active-duty spouse respondents who are also active-duty service members (dual military) (n=56).

^bThe Military Family Lifestyle Survey is not a representative sample of all active-duty spouses and is not a longitudinal research design. Differences from year to year may be due to sample differences.

^cUnderemployed is defined as selecting at least one circumstance of underemployment in the 2021 MFLS: "I work fewer hours than I would like to," "I am overqualified for my current position," "My pay level is lower in my current position than in my previous position," "My pay level is lower than it should be given my level of education," or "My pay level is lower than it should be given my work experience."



and service member day-to-day job demands are a primary barrier to employment for active-duty spouses who are not working but want or need to work and have an infant (n=171), preschooler (n=235), or grade-school-aged (n=392) child in the home, the barriers may shift for those with older children. Among active-duty spouse respondents who are not working but want or need to work and have an adolescent in the home, one-third (33%, n=234) cite the time they have been out of the workforce as a top barrier to employment.

A third (34%) of active-duty spouse respondents who are not employed but want or need to work say child care is too expensive; 1 in 5 (20%) cite the availability of child care as a limit to taking employment; and 1 in 10 (11%) report that the hours of available child care are not flexible enough to meet their employment needs.

Additionally, child care capacity, already insufficient prior to the COVID-19 pandemic,⁶ has been further reduced, with as many as a third of child care centers remaining closed more than a year after the pandemic began.⁷ Those that have reopened often have reduced capacity due to increased safety protocols and staffing challenges,⁸ further lengthening sometimes years-long waitlists.⁹ For active-duty spouses who require child care in order to seek or maintain employment, the lack of child care availability can be an immovable barrier. Over 4 in 10 (44%, n=171) active-duty spouse respondents who are not employed but want or need to work and have an infant at home, and 35% (n=235) of those with a preschool-aged child, select “child care is unavailable or the waitlist is too long” as one of the reasons they are not working.

Employers have begun to respond to the child care crisis to attract and retain employee talent,¹⁰ and they benefit by

Table 1: Employer-Provided Child Care Benefits Employed active-duty spouses with a need for child care	
Flexible Spending Account (dependent care)	44%
Reasonable accommodations for child care issues	33%
Child care subsidies	7%
Onsite child care	2%

reducing costs associated with turnover while gaining a workforce that is educated, capable, driven, and satisfied. More than 8 in 10 (83%, n=225) employed active-duty spouse respondents who need child care and currently have employer-provided child care benefits report they are satisfied with their current company/organization, compared to 69% (n=279) of their counterparts who need child care but do not have employer-provided child care benefits. On average, infant care costs nearly \$16,000 per year in the United States,¹¹ with costs slightly decreasing as the age of the

child increases. Nearly one-third (27%) of employed active-duty spouse respondents who are experiencing financial stress report that out-of-pocket child care costs contribute to their financial stress.

44% of active-duty spouses who identify military spouse employment as one of their top issues indicate that “remote work opportunities” would best address their concerns.

In addition to balancing service members’ unpredictable daily work schedule and unaffordable or inaccessible child care, a third aspect of the military lifestyle — frequent relocation — continues to impact spouse employment, according to active-duty spouse respondents who are not working but want or need paid employment.

The openness for employers to shift to remote work prompted by the COVID-19 pandemic could benefit military spouses,¹² providing flexibility and portable jobs that could withstand relocations. Nearly half (44%) of active-duty

“When my spouse is deploying, it is very **difficult to find child care that is flexible with hours needed to work for my professional degree.** Many daycares are only open daytime hours... It is difficult when deploying frequently. Many days, you need to get help from someone just to keep a job.”

Active-duty Air Force Spouse



Table 2: What would best address concerns about military spouse employment?

Active-duty spouse respondents who cite military spouse employment as a top issue of concern

Solution	Proportion
Remote work opportunities for spouses	44%
Flexible work schedules for spouses	30%
Control over where we move	30%
License and/or certification transferability for spouses	28%
Protections against employer discrimination for military spouses	28%
Job transfer from one duty station to another with the same employer	24%

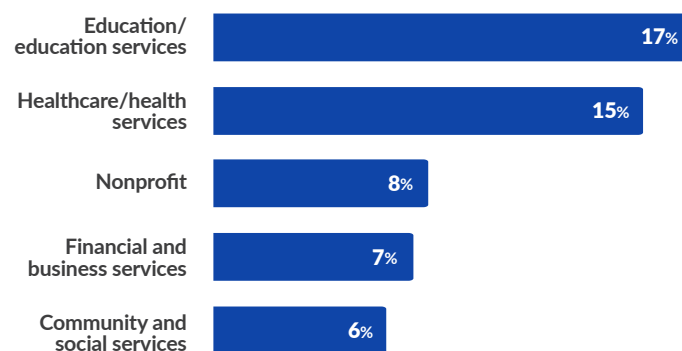
spouses who identify military spouse employment as one of their top issues indicate that “remote work opportunities” would best address their concerns. However, as employers also try to contend with the changing landscape of work,¹³ the benefits of greater opportunities for remote work prompted by the COVID-19 pandemic have not yet materialized for military spouses. This could be due in part to the

predominant fields where military spouses typically work, which do not transfer as easily to remote work as others may.¹⁴ Active-duty spouse respondents who are employed at least part-time continue to predominantly work in the private/public education sector (17%), healthcare/health sector (15%), and nonprofit sector (8%). Licensing and credentialing requirements exist for each of these fields; as such, efforts to provide educational opportunities and license transferability continue to be important to help increase the proportion of spouses who can find and maintain employment. A third (33%) of employed active-duty spouse respondents who report that they are likely looking for a new job in the next 12 months will be doing so due to a relocation/permanent change of station (PCS). Of those active-duty spouse respondents who report PCS moves as a top issue in military life, 28% indicate finding employment as a concerning aspect of PCSing, and just over a third (38%) of active-duty spouses who have completed a PCS move in the three months preceding survey fielding report they are “currently employed” at least part-time. DOD data show many spouses need four months or more to find a new position following a PCS.¹⁵

For active-duty spouses, employment impacts both financial and overall well-being. It relieves financial pressure; 68% of spouse respondents who are not currently working but are seeking employment also report their financial situation causes them “some stress” or a “great deal of stress.” In comparison, only 44% of their employed counterparts report the same level of financial stress.

Meaningful employment can also benefit the overall well-being of spouses.¹⁶ According to the MFLS, employed active-duty spouse respondents who are employed and feel their work is meaningful have significantly lower levels of stress than their counterparts who are employed but do not find their work as meaningful. However, military spouses often find themselves taking any opportunity, regardless of meaningfulness, as it might not be long before it is time to move on again.¹⁷ Therefore, programs designed to assist spouses looking for employment must consider the availability of positions to meet immediate needs and the need for meaningful, long-term, transferable employment.¹⁸ Furthermore, quality, flexible child care is essential for military spouses’ ability to secure and maintain employment — an essential component to military family financial security. However, financial security can not be undermined by the cost of the quality child care needed to achieve it. Discussions of spouse employment that do not include solutions to child care availability and affordability will simply leave a key challenge to spouse employment concerns unaddressed.

Figure 2: Top 5 Active-Duty Spouse Respondent Career Fields





Limitations and Considerations

All of the data referenced in this finding are for active-duty spouse respondents, excluding those who selected both “active-duty spouse” and “active-duty service member,” indicating they are in a dual military family (n=56). While an important subpopulation to understand, dual military families often have different employment experiences and child care needs, compared to active-duty spouses who are not also service members.

Prior to the 2020 MFLS, active-duty spouse employment data included respondents who could also have been an active-duty service member, potentially skewing the number of spouses in the labor force in previous reporting. The unemployment rate is the percentage of active-duty spouse respondents who report they want or need paid employment and have actively sought employment within the past four weeks at the time of survey fielding.

Being “underemployed” is operationalized as a respondent reporting at least one type of underemployment situation, such as working fewer hours than desired, overqualification for current position, and lower pay level than work experience or education would indicate.

Recommendations

*More information in Recommendations Chapter of Comprehensive Report



Military

- Continue to expand efforts to provide service members more control over their careers (including when and where they relocate) and day-to-day schedules.
- Establish Dependent Care Flexible Spending Accounts (DCFSA) that military families could use to reserve pre-tax dollars from their paychecks to pay for out-of-pocket child care expenses.
- **Standardize policies across service branches to clear barriers and support military spouse entrepreneurs who live in installation housing.***



States

- Ensure existing unemployment insurance (UI) eligibility requirements at the state level do not define permanent change of station (PCS) moves as “elective,” which excludes military spouses from being eligible for UI benefits.
- Explore opportunities to expand protections to military dependents in hiring and housing, as the Commonwealth of Virginia did in 2021 for Military Spouse Support.¹⁹



Congress

- Support a fixed period of federal student loan deferment for military spouses who leave a job to relocate due to military orders.
- Help military spouses return to the labor force by funding pilot programs to explore innovative approaches that address root causes (e.g., offering child care at no cost to military spouses during their job search).



Employers

- Ensure computer algorithms do not exclude military spouse applicants with resume gaps, frequent job changes, lack of upward mobility, etc.
- Expand opportunities for flexible work, allowing for shifting hours or remote work when possible.



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