THE HIGH COST OF UNDERFUNDING CHILD CARE

New analysis from Child Care Aware of Washington illustrates the stark consequences of not fully addressing the child care crisis in Washington:

TURNOVER, ABSENTEEISM, AND LOST FAMILY INCOME DUE TO CHILD CARE ISSUES RESULTS IN A \$6 BILLION REDUCTION OF THE STATE'S ECONOMY.



IN 2023... COSTS TO EMPLOYERS: \$2.5 BILLION

Employee turnover is costly for businesses, and costs and revenue are negatively affected when staff need to call out due to child-care related issues.

IN 2023... COSTS TO FAMILY INCOME: \$2.9 BILLION

Parents rely on convenient, affordable and culturally-relevant child care to work. While Washington has invested strongly into supporting children furthest from opportunity, child-care related issues impact parents' ability to work.

THE DATA SHOWS:



NEARLY 40% OF PARENTS

report having quit or been fired since having children



62% OF PARENTS

missed at least one day of work in the prior three months

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1 IN 10 PARENTS

has been out of work for at least a year since their kids were born

43% had been out for at least 3 months



JOB SEPARATION RATES ARE 1.4+ TIMES HIGHER

for single parents and households with income below \$75,000, compared to other parents

Without a system that is accessible and affordable for families and pays providers a living wage, Washington is paying for child care through losses to the economy. Learn how parents, providers and advocates are working to address the child care crisis at <u>www.childcareforwa.com</u>.









THE CHILD CARE CRISIS AND OUR ECONOMY

Parents facing child care issues struggle more to find employment, be able to work every day, or have time for the trainings and education needed to move up in their careers. This new analysis shows that fixing the child care crisis for parents is essential for a thriving economy.

WHO NEEDS CARE?



69% of parents rely on some sort of child care arrangement¹



31% of parents indicate having no regular child care arrangements, or they/a spouse or partner provide child care

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#### 11TH LEAST AFFORDABLE

The ranking for Washington state for child careⁱⁱ

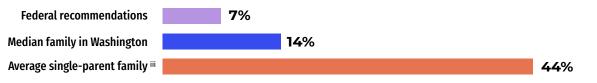


#### 63% OF WA RESIDENTS

live in a child care "desert"

Where there are more than three children under age 5 for every licensed child care slot

### WHAT DOES IT COST? What WA pays for child care (% of income)



# ALSO IMPACTED: THE CHILD CARE WORKFORCE

Care employees in Washington rank in the THIRD PERCENTILE OF OCCUPATIONAL WAGES (below dishwashers and animal caretakers)



**17.7%:** The poverty rate for early educators in Washington. Which is more than twice as high as all workers (8.2%)

**THE DATA:** ECOnorthwest analyzed data from a survey administered by Zogby Analytics, who randomly sampled adult Washington residents between February 26th and March 2nd of 2024. The survey data contains responses from 606 Washington adult residents caring for a child aged birth-12.^v Washington 2022 American Community Survey (ACS) data also informed this analysis.

Learn more in the full ECOnorthwest report and at www.childcareforwa.com

- ⁱ Child care arrangements can include center-based care, family home child care programs, Family, Friend and Neighbor care, or other informal care situations
- ⁱⁱ Federal Reserve Bank of St. Louis, "The Economic Impact of Child Care by State" (2022), Accessible on April 23, 2024.
- https://www.stlouisfed.org/community-development/child-care-economic-impact.
- iii Washington CCDC." n.d. Child Care Aware® of America. Accessed January 24, 2024.
- https://www.childcareaware.org/child-care-data-center/.

^{iv} Center for the Study of Child Care Employment (2020). Financing Early Educator Quality.

- https://cscce.berkeley.edu/publications/report/financing-early-educator-quality-a-values-based-budget-for-every-state/
- ^v See a birth-to-five analysis in ReadyNation's report at: <u>https://bit.ly/childcaredisruptionsb5</u>
- vi https://bit.ly/Childcaredisruptions







