The Childcare Landscape

Caitlin Codella Low, Vice President, Policy and Programs
U.S. Chamber of Commerce Foundation
The Childcare Landscape: Challenges

Access:
More than half of people in the U.S. live in a childcare desert.

Affordability:
Childcare costs between $5,357 - $17,171 annually.

Quality:
When access and affordability make childcare out of reach, quality is sacrificed.
Childcare Market Failures

Why not increase supply?

Staffing makes up 65-80% of budgets for providers.

Tuition is often the only source of revenue.

Staff are paid low salaries, but raising tuition will price-out families.
Result of Childcare Crisis: Untapped Potential

First round of reports: $479 million to $3.4 billion in lost economic potential due to childcare-related issues.

Second round showed the pandemic amplified losses. TX: $9.4 billion.

Data shows: nation’s childcare crisis has worsened, options are more limited, impacts workforce (especially women).
Impact for Businesses

Recruitment and retention challenges (especially for women).

Productivity at workplace lower when childcare is unstable.

62% cited childcare as a factor for why they’re seeing employees leave the workforce.

It costs 33% of a worker’s total compensation – including income and benefits – to replace them.

Employer Roadmap: Childcare Solutions for Working Parents

**QUICK WINS**
- **WORKING PARENT SUPPORT**: Leverage existing organizational programs to support working parents.
  - Complexity: +
  - Impact: Leverage existing organizational programs to support working parents.

**INTERNAL INVESTMENTS**
- **FLEXIBLE SCHEDULING**: Accommodating work schedules that create stability and predictability for working parents.
  - Complexity: ++
  - Impact: Accommodating work schedules that create stability and predictability for working parents.

**BACKUP CARE**
- Temporary childcare for unforeseen last-minute changes.
  - Complexity: ++
  - Impact: Temporary childcare for unforeseen last-minute changes.

**CHILDCARE VOUCHERS**
- Help working parents access or afford locally-available childcare.
  - Complexity: ++
  - Impact: Help working parents access or afford locally-available childcare.

**SUBSIDIES**
- Help working parents access or afford locally-available childcare.
  - Complexity: +++
  - Impact: Help working parents access or afford locally-available childcare.

**ONSITE CARE**
- Provide quality childcare exactly where parents need it—at work.
  - Complexity: +++++
  - Impact: Provide quality childcare exactly where parents need it—at work.

**COMMUNITY INVESTMENTS**
- **PUBLIC ADVOCACY**: Using your organization as a platform to address childcare quality, access and affordability at a local, state and/or national level.
  - Complexity: +
  - Impact: Using your organization as a platform to address childcare quality, access and affordability at a local, state and/or national level.

- **EXPAND COMMUNITY CAPACITY**: Ways to build community capacity and supply for childcare, benefiting your working parents in the process.
  - Complexity: +++
  - Impact: Ways to build community capacity and supply for childcare, benefiting your working parents in the process.
Employers have a role to play in addressing childcare challenges.

The most effective childcare system will not be found in one-size-fits-all solution.

Hundreds of state and local Chambers have reached out and stepped up to find flexible and creative solutions that impact access, affordability, quality.