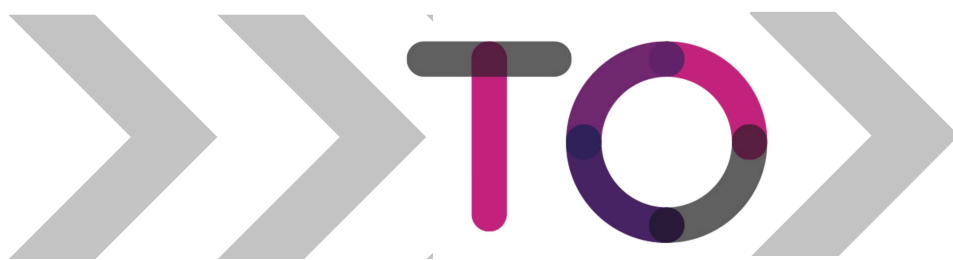


CELEBRATING 25 YEARS

PATHWAYS



*Accelerating
the
Possibilities*

PROGRESS

Child Care



WNY WOMEN'S FOUNDATION

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WNY WOMEN'S FOUNDATION

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WNY WOMEN'S FOUNDATION

Introduction

For twenty-five years the WNY Women's Foundation (WNYWF) has been transforming systems, culture and policy to create opportunities for each woman to thrive. To commemorate this silver milestone, the WNYWF is releasing the third installment of our *Pathways to Progress: Accelerating the Possibilities* series. This data-driven analysis focuses on: **child care, poverty, leadership, education, occupational segregation, and pay equity**. Our latest edition builds off of the WNYWF's 2010 and 2017 *Pathways to Progress: The Status of Women in WNY* reports and compares the state of affairs for women 25 years ago, to the current climate, with a forecasted trajectory over the next 20-25 years.

Ensuring access to high-quality, affordable child care is not just a matter of family well-being; it is a cornerstone of economic prosperity and gender equality. In today's society, the existing child care infrastructure is struggling to meet the needs of children, parents, and educators, resulting in adverse consequences for families, employers, and communities alike.

As we explore the challenges and opportunities surrounding child care in this white paper, we uncover the multifaceted impacts of insufficient access to affordable child care on women's labor force participation, career trajectories, and economic security. We delve into the complexities of the child care system, highlighting the disparities in access, affordability, and quality that persist across different regions and socioeconomic backgrounds. Through a comprehensive analysis of the current landscape, we aim to shed light on the urgent need for policy reforms and investments that prioritize the valuing of compensation of caregivers, support working families, and strengthen our economy.



Overview

Accessible, affordable high-quality child care is crucial for children's development and parents' ability to work. However, the current system fails both, leading to lower labor force participation, hiring challenges, and economic strain. Underpaid child care workers, the majority of whom are women, face financial hardships and often rely on public assistance to support their own families. Insufficient access to child care disproportionately affects women's workforce participation, widening the gender wage gap and hindering career progression, unlike most fathers. Addressing these issues is vital for equality and economic prosperity.

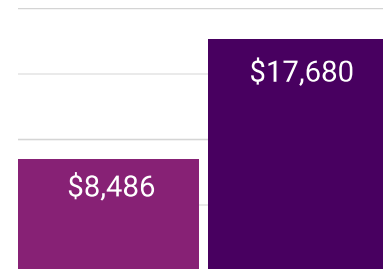
Cost of Insufficient Child Care

Over the course of her lifetime, a **mother with one child earns 28% less than a woman without children**, and each additional child decreases her lifetime earnings by another **3%** (Royce & Matsui, 2023).



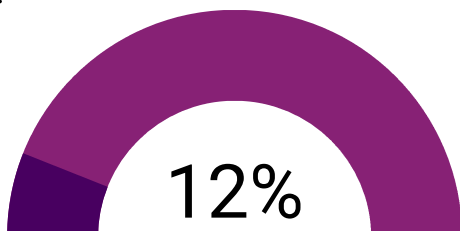
Affording Child Care

In Erie County, NY the annual cost of infant-center based child care is \$17,680, more than **twice the cost of in-state tuition** for one year at SUNY Buffalo State University (\$8,486).



Child Care Workforce

In New York State (NYS), **12% of child care workers** live in poverty, compared to 5% of workers in other occupations (Patel et al., 2023).



Investment in Child Care

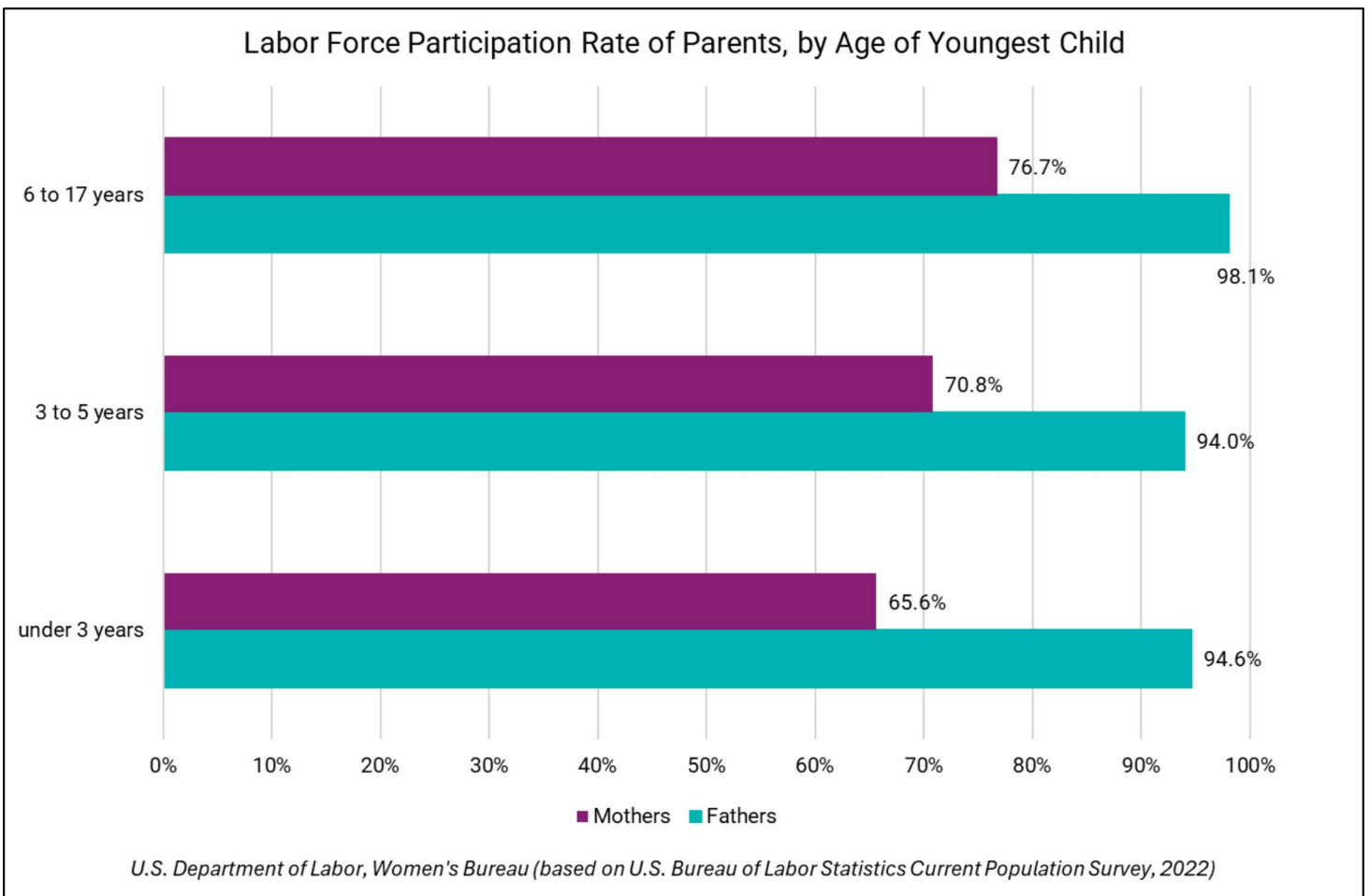
90% of a child's brain develops by age 5, however, the public invests approximately **9 times more per child** per year through the K-12 system than it does for early childhood care and education (Borowsky et al., 2022).





Women in the Workforce

The availability of child care has a greater impact on women's participation in the labor force compared to men's. Women are more likely than men reduce their work hours or leave the workforce entirely when families cannot find or afford child care. Among women with children younger than 6 years, labor force participation is **28 percentage points** lower than men with young children (66% vs 94%) (House et al., 2022). Given the cost of child care, the decision for both parents to keep working does not make financial sense for many families, and more often it is the mother who leaves the labor force to take on the child care responsibilities.



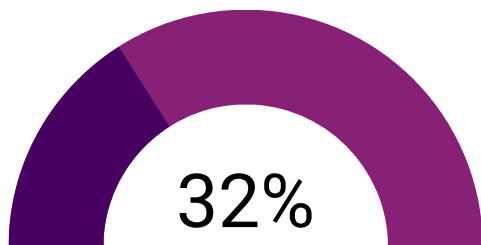
Access to affordable child care has been shown to increase labor force participation among mothers. Public schools provide child care for parents of children ages 6-17 years during the school day, regardless of their ability to pay, but no such system exists for parents of younger children. If the participation rate of mothers with children younger than 6 years old (66%) increased to that of women with school-age children (76%), approximately **one million** more workers would be in the labor force today (House et al., 2022).



Women in the Workforce, cont.

Even when mothers remain in the workforce, many are still responsible for child care. Among employed parents, **56% of mothers** report they are the ones to care for children when they are sick and cannot attend school, compared to 19% of fathers (Borowsky et al., 2022). Mothers who return to work part-time often lack paid leave, making it more difficult to balance work and child care even when they have already cut back their hours.

32% of women with caregiving responsibilities for their children said they have been penalized at work for those responsibilities, compared to 19% of men (Marshall Plan for Moms, 2022).



Approximately 6 in 10 women stated they were held back professionally due to child care responsibilities, compared to 4 in 10 men (Marshall Plan for Moms, 2022).



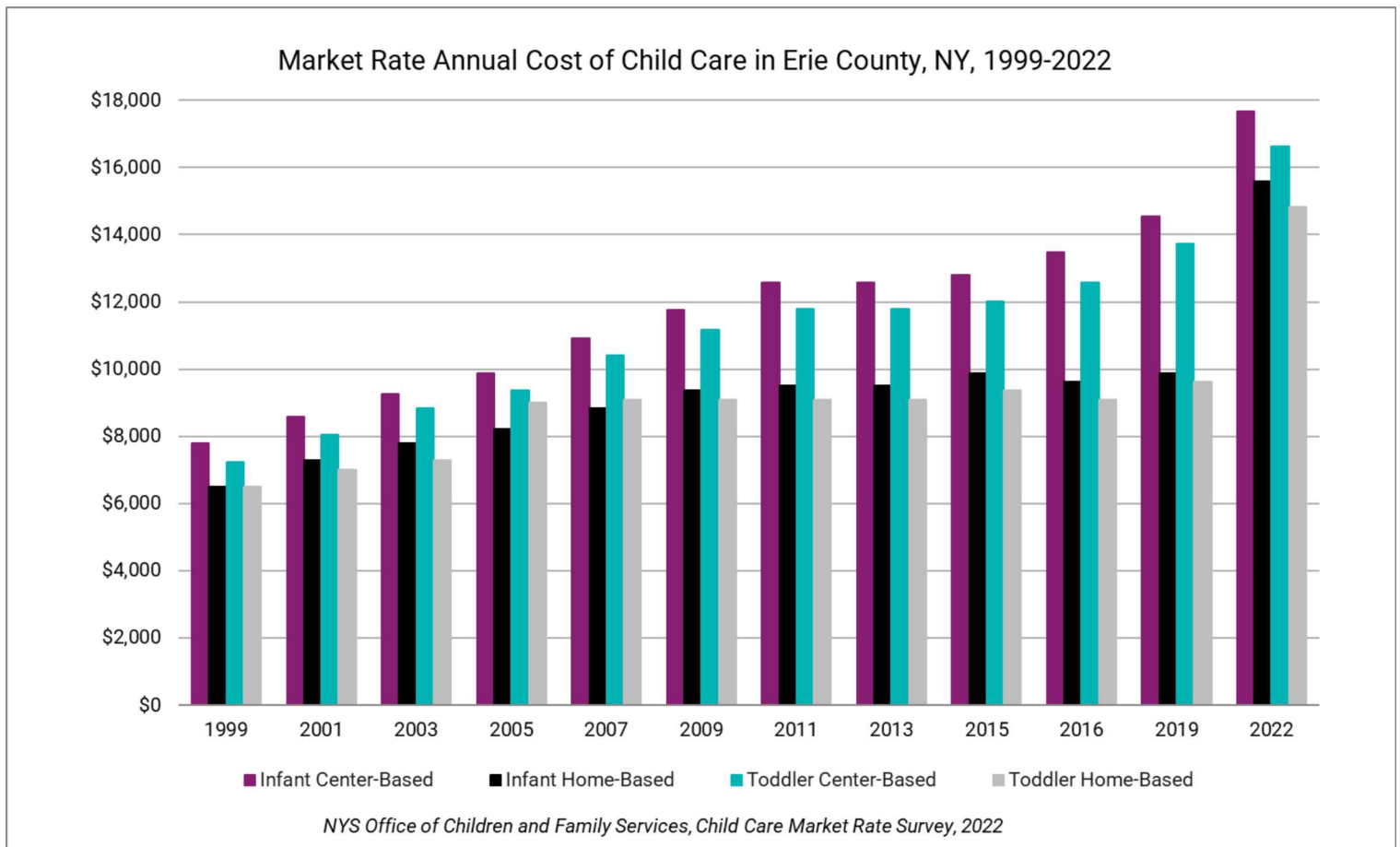
When women leave the workforce to care for their children, they not only lose income, but these gaps in their careers have long-term impacts on career growth, future earnings, and retirement savings. One study showed that women who leave the workforce to care for family members lose on average **\$142,693 in wages and stand to lose an additional \$131,351 in Social Security benefits** (Royce & Matsui, 2023).

Lack of access to reliable, affordable child care not only hurts women and their families; it is also detrimental to employers and communities. For employers, it drives many experienced workers out of the labor force and causes costly productivity problems. Federal, state, and local governments lose tax revenue. A 2023 ReadyNation report on infant-toddler child care estimates that the annual economic burden caused by insufficient child care costs U.S. families, businesses, and taxpayers **\$122 billion** (\$78 billion cost to families; \$23 billion cost to businesses; and \$21 billion to taxpayers). NYS's share of that cost is an estimated **\$9.8 billion** (ReadyNation, 2023).



Affording Child Care

In 1999, the cost of infant center-based child care in Erie County stood at **\$7,800** annually, equivalent to 13% of the median family income for a family of four (NYS OCFS, 2000). By 2022, that figure had risen to **\$17,680** per year, constituting 14% of the median family income for the same household (NYS OCFS, 2022). The escalating cost of child care paints a dire picture of the financial burden families face. In a survey of parents in the U.S., 68% of parents reported difficulty in meeting child care costs and 27% of parents said they have quit a job or school to avoid child care costs (Theirworld et al., 2023).



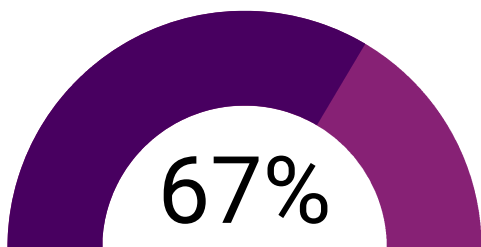
For the 8 counties of Western New York (WNY) except Erie County, child care costs range from **\$13,000** for home-based child care for a preschool-aged child to **\$15,340** for center-based child care for an infant (NYS OCFS, 2022).



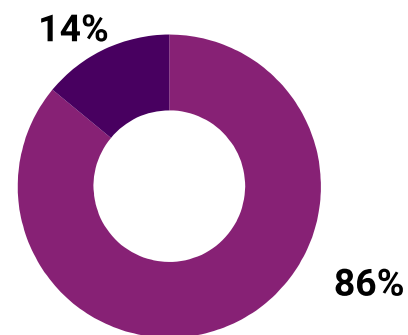
Affording Child Care, cont.

Child care is considered affordable when it costs families no more than 7% of their household income (U.S. Dept of Health & Human Services, 2016). In Erie County, child care costs range from \$13,988 for home-based care for a preschool-aged child to \$17,680 for center-based care for an infant, **constituting 11% and 14% of the median family income for a family of 4**, respectively (NYS OCFS, 2022). For the 8 counties of WNY except Erie County, child care costs range from 19.9% of the median family income for center-based child care for an infant in Orleans County to 12.4% for home-based child care for a preschool-aged child in Niagara County (Patel et al., 2023). The cost of child care is even more burdensome for families who earn less than the median income, or for families who need child care for multiple children.

Nationally, **67% of parents** paying for child care are spending **20% or more of their annual household income** on child care, up from 51% in 2022 according to Care.com's 2023 Annual Cost of Care Report (Care.com, 2023).



Locally, infant center-based child care in Erie County costs \$17,680 per year, constituting **14% of the median family income** for a family of 4 (NYS OCFS, 2022).



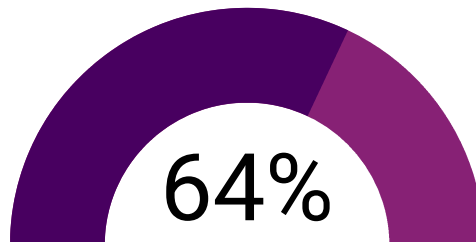
Child care costs in the WNY region far exceed the 7% affordability threshold set by the U.S. Department of Health & Human Services. These figures underscore the pressing need for interventions to address the significant financial burden child care places on families in the region. A recent poll found that 59% of part-time or non-working parents say they would go back to work full-time if their child had access to quality child care at a reasonable cost (First Five Years Fund, 2023).



Finding Child Care

New York State has expanded access to child care by raising the assistance program income eligibility level, but many families cannot benefit from this change because there is a shortage of child care slots. **In WNY, there was a 1.7% decrease in child care providers from 2017-2022** (Patel et al., 2023). According to a 2023 Empire State Campaign for Child Care survey of 1,660 child care programs in NYS, 90% of child care programs report they are currently understaffed. As a result, 67% report reducing capacity, closing classrooms, or closing their facilities on short notice, and 35% report closing earlier. This negatively impacts women who depend on consistent, reliable child care to stay in the workforce.

64% of NYS residents live in a child care “desert,” defined as an area where there are 3 or more children for every licensed child care slot (Center for American Progress, 2021). In WNY, child care availability ranges from 3.6 children per slot in Erie County to 8.6 children per slot in Wyoming County (Patel et al., 2023).



Child Care Availability in WNY (Patel et al., 2023)

Number of children under 6 years per child care slot available (by county)

Allegany 4.6
Cattaraugus 5.9
Chautauqua 4.8
Erie 3.6
Genesee 5.7
Niagara 4.8
Orleans 6
Wyoming 8.6

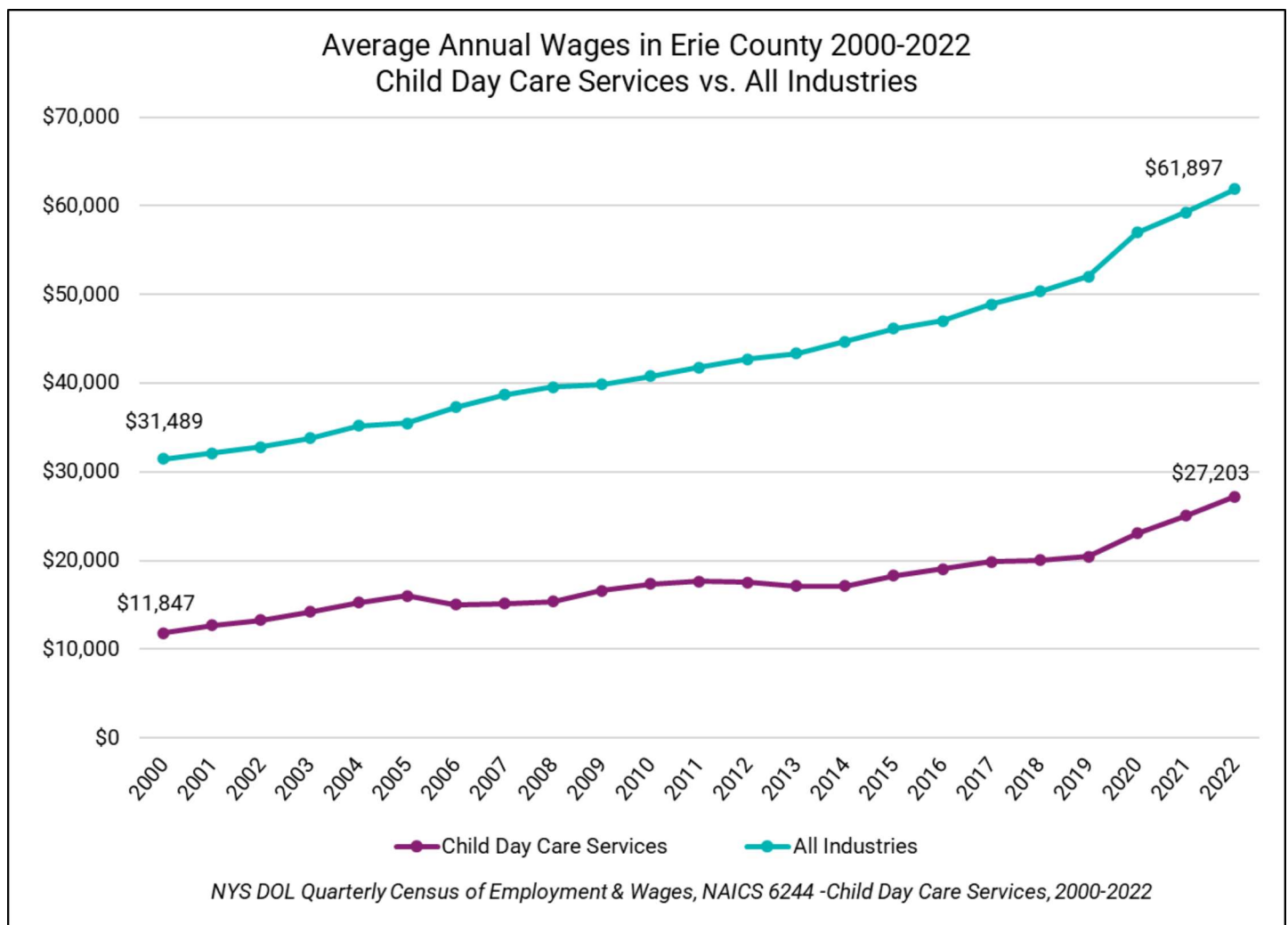
In the 8 counties of WNY,
there are an average of **6**
children per available child
care slot





Child Care Workforce

One of the biggest problems contributing to the lack of child care is low wages for child care workers. **Child care workers earn less than 96% of occupations in NYS** (Schuyler Center, 2024) and 12% of them live in poverty (Patel et al., 2023). Increasing wages for the child care workforce is critical to reducing turnover and improving workforce stability, which will help to increase the availability of high-quality child care.

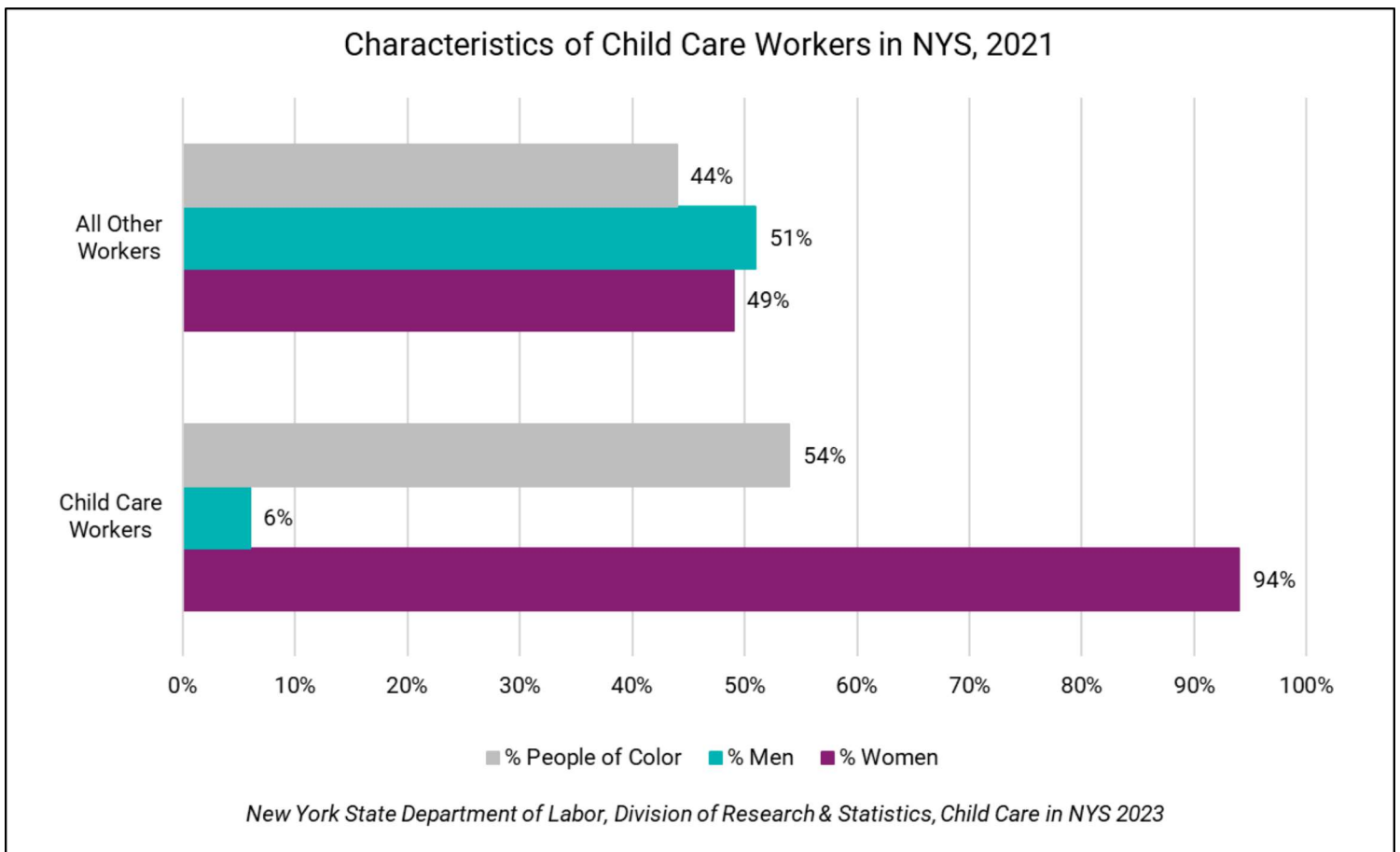


In 2022, the annual average wage for workers in the child care industry in WNY was \$26,817 (Patel et al., 2023). **In Erie County, the annual average wage for workers in child day care services was \$27,203.** As a reference, the federal poverty threshold for a family of 3 was \$23,030 in 2022. At these wages, child care workers would have to spend approximately 62% of their annual earnings for center-based infant care.



Child Care Workforce, cont.

The child care industry is one of the starkest examples of occupations in which women and people of color are over-represented in low-paying jobs. **In NYS, a staggering 94% of the child care workforce are women, and 54% are people of color** (Patel et al., 2023). Despite the vital role they play in nurturing and educating our children, the child care workforce is often undervalued and undercompensated.



The child care workforce is essential to society, providing critical support that enables parents to pursue their careers and contribute to the economy. Recognizing and addressing the undervaluation of the child care workforce is essential not only for the well-being of these dedicated professionals but also for the overall functioning and prosperity of our society. The lack of adequate public funding for child care weakens the economic stability of both women working in the child care sector and those who rely on it to remain.

Lack of Affordable Child Care Impacts EVERYONE!



The high cost of
child care



A smaller
workforce



Greater hiring
difficulty
for employers



Smaller families,
slower potential
GDP growth

CHILD CARE SUBSIDY - EMPLOYEE RESOURCE INCOME SCALE

- Eligibility expanded to 85% of the NY State Median Income (SMI) up to 300% New York State Income Standard (SIS) (see chart to right).
- Child care copays for eligible Erie County families are capped at 1% of income over the federal poverty level.

Employees can receive applications by contacting their county's Department of Social Services.

For application assistance or finding a child care center who accepts subsidies, contact:

Child Care Resource Network WNY: 716-877-6666	Child Care of Niagara: 716-285-8572
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Family Size	85% SMI	300% SIS
2	\$19,720	\$59,160
3	\$24,860	\$74,580
4	\$30,000	\$90,000
5	\$35,140	\$105,420
6	\$40,280	\$120,840

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WNY WOMEN'S FOUNDATION

Take Action!

1. Write or call your NYS legislators today to advocate for universal child care!

Scan the QR code to write a letter to your NYS legislators:



2. Learn more about accessible, affordable, and dependable child care options. Join us for our Pathways to Progress Speaker Series - Child Care

April 24, 2024 from 12 pm - 1 pm

Click below for more information on the series:

<https://wnywomensfoundation.org/pathways-to-progress-speaker-series/>

3. Know the facts and educate your community!

Utilize this white paper as your guide to data and research on child care to educate your community!

4. Share your story WNY Women's Foundation!

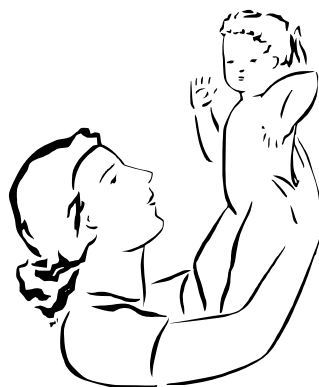
Help us advocate for accessible, affordable, and dependable child care! Share your experience as a family navigating the child care system or as a child care worker. Email wnywfdn@wnywfdn.org with your story.



Conclusion

Ensuring access to high-quality, affordable child care is not merely a family concern but a fundamental pillar of both economic prosperity and gender equality. The challenges faced by the existing child care infrastructure pose significant obstacles to the well-being of children, parents, and communities at large. Through this white paper, we have examined the far-reaching implications of inadequate access to affordable child care, particularly on women's labor force participation, career advancement, and economic stability. Our exploration has underscored the intricate nature of the child care system, revealing persistent disparities in access, affordability, and quality across various regions and socioeconomic strata.

In light of these findings, it is imperative that we prioritize policy reforms and investments aimed at addressing these challenges head-on. By prioritizing the needs of children, supporting working families, and bolstering our economy, we can pave the way for a more equitable and prosperous future. It is our hope that this comprehensive analysis serves as a catalyst for action, propelling us toward a child care system that is truly accessible, affordable, and of the highest quality for all.



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