



White Paper

Why Child Care Solutions Will Fill the Workforce Gap

It is no surprise households increasingly need two incomes to afford the cost of living with near stagnant wage growth,ⁱ and the rising cost of housing,ⁱⁱ education and tuition debt,ⁱⁱⁱ raising children,^{iv} and healthcare.^v

Luckily in Utah, there is a workforce gap that needs to be filled.^{vi} However, if Utahns want to raise a family, they'll soon find out the cost of child care discourages full workforce participation by both parents, even if both are willing. In fact, 50% of Utah families with children under 6 have both parents in the workforce.^{vii}

While the government steps in to help the most low-income, most families don't qualify for subsidies and can pay up to 30% of their income on child care. Infant care in particular is 53% more expensive than college tuition.^{viii}

Where the opportunity lies:

- Government covers 39% of the cost of child care (for most low-income). Parents shoulder 60%. Businesses currently cover 1%, yet benefit from the labor child care provides.^x
- 30% of Utah parents have had to cut back on work hours because of unmet child care needs.^x
- 44% of Utah parents surveyed said they would utilize child care to work more or continue their education.^{xi}

A lack of child care costs businesses money:

- U.S. businesses lose \$4.4 billion annually due to employee absenteeism as the result of childcare breakdowns.^{xii}

Providing child care solutions can recoup the costs of attrition and lost productivity:

- When companies provide childcare, employee absences decrease by up to 30% and job turnover declines by as much as 60%.^{xiii}
- 83% of millennials say that they would leave their jobs for one with more family-friendly benefits.^{xiv}

For Utah businesses, high-quality childcare is a smart investment. It supports and attracts the workforce of today, while ensuring the development and success of the workforce of tomorrow. Access to high-quality, affordable childcare is critical to a healthy, prosperous economy.



Utah Child Care Cooperative

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End Notes

- ⁱ <https://www.americanprogress.org/issues/economy/news/2017/09/12/438778/new-census-data-show-household-incomes-rising-share-going-middle-class-record-low/>
- ⁱⁱ <https://gardner.utah.edu/wp-content/uploads/May2018HousingReport.pdf>
- ⁱⁱⁱ <https://www.sltrib.com/news/education/2018/10/15/utahs-colleges-hike/>
<https://pdfs.semanticscholar.org/a8a0/39525cbbc312c379cb423baod54eab501e29.pdf>
- ^{iv} https://fns-prod.azureedge.net/sites/default/files/crc2015_March2017_0.pdf
- ^v <https://www.epi.org/publication/health-care-report/>
<https://jamanetwork.com/journals/jama/fullarticle/2661579>
- ^{vi} <https://jobs.utah.gov/wi/pubs/reports/difficultfilljobstudy.pdf>
<https://slchamber.com/ceoutlook/>
<https://www.ksl.com/article/46372252/utah-has-desperate-need-for-highly-educated-skilled-workers>
- ^{vii} <https://www.uvu.edu/uwlp/docs/childcareinfographic.pdf>
- ^{viii} <https://www.uvu.edu/uwlp/docs/childcareinfographic.pdf>
- ^{ix} http://www.earlychildhoodfinance.org/downloads/2001/FinanceCatalog_2001.pdf
- ^x <https://www.uvu.edu/uwlp/docs/childcareinfographic.pdf>
- ^{xi} <https://jobs.utah.gov/occ/EarlyChildhoodServicesStudy.pdf>
- ^{xii} https://www.uschamberfoundation.org/sites/default/files/Childcare%20Workforce%20Toolkit_April%202018.pdf
- ^{xiii} https://www.uschamberfoundation.org/sites/default/files/Childcare%20Workforce%20Toolkit_April%202018.pdf
- ^{xiv} <https://www.care.com/press-release-millennials-would-leave-job-for-better-benefits-p1186-q65824324.html>