



**UNDER EMBARGO Until June 14, 2023 at 12:01 a.m. ET**

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Alaska Ranks 38th in Child Well-Being, but Inaccessible, Unaffordable Child Care Is Causing Parents to Miss, Quit, or Scale Back Work

*Alaskan Economy Loses \$165 Million a Year According to the United States Chamber of Commerce*

**ANCHORAGE, ALASKA** — Alaska ranked 38th overall for child well-being this year, according to the **2023 KIDS COUNT® Data Book**, a 50-state report of recent household data developed by the Annie E. Casey Foundation analyzing how children and families are faring. However, Alaska’s lack of affordable and accessible child care has consistently short-changed children and caused parents to frequently miss work or even quit their jobs, while those who can find care are paying dearly for it. These child care challenges have also cost the Alaska economy millions of dollars a year.

The data show that the annual cost of center-based childcare for toddlers in Alaska was a whopping \$13,046, a number close to the average rent /mortgage payment in many Alaskan communities.

“The data backs what Alaska parents have been feeling for years,” said Alaska Children’s Trust President and CEO Trevor Storrs, Alaska’s member of the KIDS COUNT network. “Parents are telling each other to join waitlists for programs as soon as they become pregnant. They’re seeing soaring costs, and, in some communities, few to even no options for licensed or even unlicensed child care.”

The *Data Book* reports that far too many parents cannot secure child care that is compatible with work schedules. In 2020- 2021, 12.7% of Alaska children under age 6 lived in families in which someone quit, changed, or refused a job because of problems with child care, just about the same as the national average of 12.6%.

Even if parents can find an opening at child care near their home, they often can’t pay for it. Alaska’s average cost of center-based child care for a toddler was \$13,046, 11% of the median income of a married couple and 33% of a single mother’s income in Alaska.

While the cost of care burdens families, child care workers are still paid worse than 98% of professions. Median national pay for child care workers was \$28,520 per year or \$13.71 an hour in 2022, less than the wage for retail (\$14.26) and customer service (\$18.16) workers. In Alaska, that wage for a child care worker has increased in recent years, with a new median wage of \$15.14 in 2022. However, with a difficult job market at hand, the wages are far from competitive.

The failings of the child care market also affect the current and future health of the Alaskan economy, costing \$165 million a year in lost earnings, productivity and tax revenue, according to the United States Department of Commerce.

Each year, the *Data Book* presents national and state data from 16 indicators in four domains — economic well-being, education, health, and family and community factors — and ranks the states according to how children are faring overall. This year, the Annie E. Casey Foundation also took a deep dive into child care statistics, because the above challenges take away from child well-being by adding to the tremendous stress caregivers have of meeting the dual responsibilities of providing for their families and ensuring their children are safe and nurtured.

In recent months, there have been solution-oriented efforts at the state and Anchorage municipal level, but there is much more work to be done. The Alaska State Legislature has shown a commitment to child care, passing \$15 million in new funding to stabilize the sector as well as \$5 million for Head Start programs, and Governor Dunleavy recently convened a Child Care Task Force to evaluate the issues facing the sector. Anchorage voters also passed Proposition 14, a ballot initiative that directs municipal taxes from marijuana sales towards child care and early education.

However, fully transitioning from a faltering child care system to creating a flourishing one will take new thinking and investing at the local, state, and national levels. An executive order issued by President Biden in April is aimed at expanding access, lowering costs, and raising wages. It could prove to be a helpful framework, but more is needed:

- Federal, state, and local governments should invest more in child care. Congress should reauthorize and strengthen the Child Care and Development Block Grant Act and increase funding for public pre-kindergarten and Head Start.
- Public and private leaders should work together to improve the infrastructure for home-based child care, beginning by lowering the barriers to entry for potential providers by increasing access to start-up and expansion capital.
- To help young parents, Congress should expand the federal Child Care Access Means Parents in School (CCAMPIS) program, which serves student parents.

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## **RELEASE INFORMATION**

The *2023 KIDS COUNT® Data Book* will be available at [www.alaskachildrenstrust.org/kids-count](http://www.alaskachildrenstrust.org/kids-count). Additional information is available at [www.aecf.org](http://www.aecf.org). Journalists interested in creating maps, graphs and rankings in stories about the *Data Book* can use the KIDS COUNT Data Center at [datacenter.aecf.org](http://datacenter.aecf.org) or for assistance, contact Kaila Pfister, ACT Director of Communications, at [kpfister@alaskachildrenstrust.org](mailto:kpfister@alaskachildrenstrust.org)

## **ABOUT ALASKA CHILDREN'S TRUST**

Alaska Children's Trust (ACT) is the statewide lead organization focused on the prevention of child abuse and neglect. For over thirty years, we have invested resources across Alaska to ensure children live in safe, stable, and nurturing environments.

## **ABOUT THE ANNIE E. CASEY FOUNDATION**

The Annie E. Casey Foundation creates a brighter future for the nation's young people by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more information, visit [www.aecf.org](http://www.aecf.org). KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.

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