

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

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## Inaccessible and Unaffordable: Lack of Child Care, High Cost Hurt North Carolina Families, Workers, Economy

50-State Data Show Child Care Challenges Cause Parents to Miss, Quit or Scale Back Work, Annie E. Casey Foundation Finds

**Raleigh, NC** — One in six North Carolina children under age 6 live in families in which someone had to quit, change, or turn down a job due to problems with child care 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. The report shows that lack of affordable and accessible child care is impacting the development of children and causing parents in North Carolina and nationwide to frequently miss work or even quit their jobs, while those who can find care are paying exorbitant prices. These child care challenges cost the American economy billions of dollars a year, impacting the workforce, and stymying women professionally.

"The data shows us the urgency of this crisis," said Erica Palmer Smith, Executive Director of NC Child, North Carolina's member of the KIDS COUNT network. "It is incumbent upon all of us to help families access child care so children can grow up and lead the kind of lives they deserve."

The *Data Book* details the number of parents who cannot secure child care compatible with work schedules and commutes. According to the *Data Book,* in 2020–21 16% of children under age 6 in North Carolina lived in families in which someone quit, changed, or refused a job because of problems with child care. This is higher than the national average of 13%. Nationally, women are five to eight times more likely than men to experience negative employment consequences related to caregiving.

North Carolina's average cost of center-based child care for a toddler was \$9,916. That's roughly 10% of the median income for a married couple and 33% of the median income for a single mother.

While the cost of care burdens families, child care workers are paid less 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 North Carolina the average wage for a child care worker per hour is \$12.87 an hour.

The failings of the child care market also affect the current and future health of the American economy, costing \$122 billion a year in lost earnings, productivity and tax revenue, according to one study. All of these challenges put parents under tremendous stress to meet the dual responsibilities of providing for their families and ensuring their children are safe and nurtured.

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.

"Children across North Carolina deserve the same opportunity for success – and their parents should be able to choose the early childhood education that meets their family's needs," said Palmer Smith. "Stronger investments in child care will support families, strengthen our state's workforce, and give more kids a chance to thrive."

The goal of turning a faltering child care system into a flourishing one requires new thinking and investments at the local, state, and national level. An executive order issued by the White House this past

April 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. State and local
  governments should maximize remaining pandemic recovery act dollars to fund needed child
  care services and capacity. North Carolina legislators should continue to improve the child care
  subsidy rate structure to make it possible for more child care businesses to provide services to
  low-income families in their communities. We'd also encourage legislators to continue investing
  in proven programs that boost early educator pay while recruiting and retaining highly qualified
  teachers in the classroom in an effort to make high-quality childcare more affordable and
  accessible for working families.
- 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 <u>www.aecf.org</u>. Additional information is available at <u>www.aecf.org/databook</u>. Journalists interested in creating maps, graphs and rankings in stories about the Data Book can use the KIDS COUNT Data Center at <u>datacenter.aecf.org</u>.

## **About NC Child**

NC Child is a nonprofit organization that advances public policies to ensure that every child in North Carolina has the opportunity to thrive, whatever their race, ethnicity, or place of birth. For more information, visit www.ncchild.org.

## 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 <a href="http://www.aecf.org">www.aecf.org</a>. KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.

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