



# 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,<sup>i</sup> and the rising cost of housing,<sup>ii</sup> education and tuition debt,<sup>iii</sup> raising children,<sup>iv</sup> and healthcare.<sup>v</sup>

Luckily in Utah, there is a workforce gap that needs to be filled.<sup>vi</sup> 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.<sup>vii</sup>

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.<sup>viii</sup>

### **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.<sup>x</sup>
- 30% of Utah parents have had to cut back on work hours because of unmet child care needs.<sup>x</sup>
- 44% of Utah parents surveyed said they would utilize child care to work more or continue their education.<sup>xi</sup>

### **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.<sup>xii</sup>

### **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%.<sup>xiii</sup>
- 83% of millennials say that they would leave their jobs for one with more family-friendly benefits.<sup>xiv</sup>

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

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- <sup>i</sup> <https://www.americanprogress.org/issues/economy/news/2017/09/12/438778/new-census-data-show-household-incomes-rising-share-going-middle-class-record-low/>
- <sup>ii</sup> <https://gardner.utah.edu/wp-content/uploads/May2018HousingReport.pdf>
- <sup>iii</sup> <https://www.sltrib.com/news/education/2018/10/15/utahs-colleges-hike/>  
<https://pdfs.semanticscholar.org/a8a0/39525cbbc312c379cb423baod54eab501e29.pdf>
- <sup>iv</sup> [https://fns-prod.azureedge.net/sites/default/files/crc2015\\_March2017\\_0.pdf](https://fns-prod.azureedge.net/sites/default/files/crc2015_March2017_0.pdf)
- <sup>v</sup> <https://www.epi.org/publication/health-care-report/>  
<https://jamanetwork.com/journals/jama/fullarticle/2661579>
- <sup>vi</sup> <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>
- <sup>vii</sup> <https://www.uvu.edu/uwlp/docs/childcareinfographic.pdf>
- <sup>viii</sup> <https://www.uvu.edu/uwlp/docs/childcareinfographic.pdf>
- <sup>ix</sup> [http://www.earlychildhoodfinance.org/downloads/2001/FinanceCatalog\\_2001.pdf](http://www.earlychildhoodfinance.org/downloads/2001/FinanceCatalog_2001.pdf)
- <sup>x</sup> <https://www.uvu.edu/uwlp/docs/childcareinfographic.pdf>
- <sup>xi</sup> <https://jobs.utah.gov/occ/EarlyChildhoodServicesStudy.pdf>
- <sup>xii</sup> [https://www.uschamberfoundation.org/sites/default/files/Childcare%20Workforce%20Toolkit\\_April%202018.pdf](https://www.uschamberfoundation.org/sites/default/files/Childcare%20Workforce%20Toolkit_April%202018.pdf)
- <sup>xiii</sup> [https://www.uschamberfoundation.org/sites/default/files/Childcare%20Workforce%20Toolkit\\_April%202018.pdf](https://www.uschamberfoundation.org/sites/default/files/Childcare%20Workforce%20Toolkit_April%202018.pdf)
- <sup>xiv</sup> <https://www.care.com/press-release-millennials-would-leave-job-for-better-benefits-p1186-q65824324.html>