



WNY WOMEN'S FOUNDATION

Impact of COVID-19 on Child Care, Providers, and Families

The COVID-19 pandemic has dramatically and negatively impacted the ability of child care centers to remain open and fully functional. Child care providers have struggled to remain open while ensuring children in their care and their employees are safe and protected, while many providers have been forced to close permanently. The lack of child care options has negatively affected children, families, and the economy during the COVID-19 pandemic, highlighting the critical need for child care in our society.

During the pandemic, the WNY Women's Foundation's advocacy efforts have focused on securing accessible, affordable, and quality child care for all. The Foundation's advocacy work elevates the voices of child care providers, and convenes stakeholders to educate them on the issues at a local and statewide level. The Foundation's Executive Director Sheri Scavone sits on the NYS Governor's Child Care Taskforce, influencing policy and discussions surrounding child care and the Foundation regularly partners with local and statewide organizations to advocate for increased access to child care subsidy for working parents. In addition, the Foundation launched an educational campaign through radio and social media to inform parents about newly-available child care subsidies during the pandemic.

The child care industry faces barriers and opportunities at the federal, state, and local level. The WNY Women's Foundation has advocated for accessible and affordable quality childcare at all three levels. In 2019, 11% of our advocacy happened at the local level, 81% was at the state level, and 8% was at the federal level.

Learn more about the WNY Women's Foundation and our work on behalf of women during the pandemic at <https://wnywomensfoundation.org>

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Economic Impact on Families in Need of Quality, Affordable Child Care

The WNY Women’s Foundation has advocated for expanded child care subsidy eligibility in Erie County to target the growing need for parents to access quality child care during the pandemic, particularly for essential workers. Many parents are currently juggling jobs and child care while child care providers and schools are remote, and determining the added cost of children staying at home.

Statewide and Local Cost of Care

- The average annual cost of infant care is \$15,394, or \$1,283 per month. (Economic Policy Institute, 2020)
- New York State is ranked 6th for most expensive infant care. (Economic Policy Institute, 2020)
- Infant care for one child takes up 22.1% of a median family’s income in New York. (Economic Policy Institute, 2020)
- Infant care in New York costs \$7,456 (93.9%) more per year than in-state tuition for four-year public college. (Economic Policy Institute, 2020)
- In New York, infant care costs 4.7% more than average rent. (Economic Policy Institute, 2020)
- According to the U.S. Department of Health and Human Services (HHS), child care is affordable if it costs no more than 7% of a family’s income. By this standard, only 9.4% of New York families can afford infant care. (Economic Policy Institute, 2020)
- In Erie County, the annual cost of infant care at the market rate is \$14,560. (Center for Children’s Initiatives, 2020)
- The annual cost of infant care at market rate as a percent of median income is 19% in Western New York. (Center for Children’s Initiatives, 2020)
- Of Erie County parents, 60% reported struggling to pay for child care, 21% had to withdraw from care because of cost, 30% used credit cards, and 16% borrowed money to pay for care. (Michel, 2019)

Demographics of parents in need of affordable care

- Stay-at-home mothers and fathers account for about one-fifth of U.S. parents, meaning 80% of parents are employed either full time or part time. (Livingston, 2018)

- 17.5 million workers—11% of the U.S. workforce—are taking care of young children on their own and will be unlikely to return to work full-time until schools and day cares fully reopen during the pandemic. (Long, 2020)
- There are 21.5 million workers in the United States with a child under the age of 6. (Novoa, 2020)
- Two-thirds of children have all available parents in the workforce. (Novoa, 2020)

Impact of Child Care on Family Finances

- For families in households with incomes less than the federal poverty level who pay for child care, child care costs average 30% of their income, compared to 18% for families with incomes between 100% and 200% of poverty and 7% for families making over 200% of poverty. (Rice, Schmit, & Matthews, 2019)
- 26% of all families across the country spend more than 10% of their income on child care costs and for poor families the burden is greatest—over half of poor families with young children pay nearly 20% of their income on child care costs. (Mattingly, Schaefer, & Carson, 2016)
- More than 2 million parents each year resorted to spend outside their budgets, settle for lower-quality care, or reduce their labor force participation. (Novoa, 2020)
- More than 70% of parents are spending 10% or more of their household income on child care. (Mullen, 2020)
- 55% of families spend at least \$10,000 annually on child care. (Mullen, 2020)
- 54% of parents they've made workplace changes, including working from home and cutting hours, to afford child care. (Mullen, 2020)
- A typical, median-income Black family with two young children spends 56% of its income on child care, a larger share of total family income than that of any other group. (Novoa, 2020)
- About six in 10 parents say remote learning, brought on by the pandemic, will negatively affect their finances. (Mullen, 2020)
- Due to the pandemic, 23% of parents expect they'll have limited career opportunities due to a lack of work/life balance, 22% think they will have to cut their hours at work to help a child with remote learning, and 16% said they'll have additional childcare expenses so parents can continue to work. 15% worry they might have to stop working entirely to facilitate remote learning for their child. (Mullen, 2020)

The Loss of Productivity and Time Spent on Child Care

- 33.3% of parents start work late due to caring for their children, 32.4% stop work early, 20.9% miss a meeting, 12.1% miss a deadline, 27.9% miss a full day of work, 29.9% work late at night, and 34.3% had none of the above impacts. (Horowitz, 2020)
- Parents lose an average of eight hours of work a week—the equivalent of a full day—because they had to address their kids' needs. (Long, 2020)
- 13% of U.S. parents had to quit a job or reduce their working hours due to a lack of child care. (Long, 2020)
- 54% of parents they've made workplace changes during COVID-19 to afford child care. (Mullen, 2020)

- More than 70% of parents said their job has been affected when child care plans fell through on short notice. (Mullen, 2020)
- Mothers during COVID perform about 60% of childcare: 7.2 hours per week for fathers versus 13.7 hours for mothers. (Ward, 2020)
- 41% of parents said mothers handled the majority of the extra child care work during the pandemic, 15% said fathers took on the majority of caregiving responsibilities. (Mullen, 2020)
- Women spend 37% more time on household and care work than their male counterparts. (Shaw & Mason, 2020)
- Black and Latina women spend nearly twice as much time on unpaid household and care work as their male counterparts. (Shaw & Mason, 2020)

Access to Subsidy

Child care subsidies offer funding to parents to help them afford child care. Subsidies are a set amount of funding that parents are provided to decrease the cost of care, and varies according to the amount of income that the parent or parents bring into the family. Subsidies provide opportunities for more parents to access affordable and quality child care.

- Child Care and Development Block Grant (CCDBG) funding has long been inadequate, and until recently, actually declined in purchasing power. Because states had insufficient funding, some 450,000 fewer children had CCDBG-funded child care in 2017 compared to 2006. (Rice, Schmit, & Matthews, 2019)
- As of 2015, just 15% of children who qualified for child care assistance under federal eligibility parameters received aid due to funding shortfalls. (Rice, Schmit, & Matthews, 2019)
- 55 major federal programs—including Head Start and children’s health insurance—allocate more than \$880 billion each year based on census data. The 2010 census missed more than 2 million children younger than 5, many of them kids of color or in low-income families. (Annie E. Casey Foundation, 2019)
- Just 8% of potentially eligible children received subsidies based on federal income eligibility limits and 12% of potentially eligible children received subsidies based on state income eligibility limits. (Ullrich, Schmit, & Cosse, 2019)
- Due to inadequate funding, just 1 in 6 children eligible for child care assistance receives it. (Rice, Schmit, & Matthews, 2019)
- 8% of the 17.4 million potentially eligible children based on federal eligibility parameters received subsidies in FY 2016, while 12% of 10.9 million potentially eligible children based on state eligibility parameters received subsidies. (Ullrich, Schmit, & Cosse, 2019)
- Head start reaches less than half (48%) of eligible preschool-age children and early head start reaches just 7% of eligible pregnant women, infants, and toddlers. About 15% of eligible children in families with low incomes have access to child care assistance. (Schmit, 2019)
- Overall, Black children had the highest rates of access to CCDBG. Nationally, 15% of potentially eligible Black children were served based on federal eligibility parameters and 21% were served based on state parameters. While Black children had the highest rates of access, an overwhelming majority (79%) of potentially eligible Black children were not receiving subsidies. (Ullrich, Schmit, & Cosse, 2019)

- Asian children had the lowest rate of access nationally, with just 3% of potentially eligible Asian children served in CCDBG based on federal eligibility and 5% based on state eligibility. 6% of potentially eligible Hispanic children were served nationally based on federal eligibility and 8% were served based on state eligibility. (Ullrich, Schmit, & Cosse, 2019)

Economic Impacts of Accessible Care

- Due to the pandemic, nearly 10% of economic activity won't happen as long as schools and day cares remain closed. (Long, 2020)
- For each \$1 invested in high-quality early childhood programs, a state economy will get a \$2 to \$3 return on investment. (Bartik, 2015)
- For every \$1 spent on high-quality early childhood programs, \$8 to \$16 is returned to society. (Bartik, 2015)
- K-12 students in the United States already lost \$2.8 trillion in future wages from school closures through September. (Erbabian & Wu, 2020)
- The COVID pandemic could cost current students between \$12,000 and \$15,000 in future earnings due to lower educational quality. (Erbabian & Wu, 2020)
- Meaningful child care reform that capped families' child care expenses at 7% of their income would save a typical New York family with an infant \$10,152 on child care costs. This would free up 18.6% of their (post-child care) annual income to spend on other necessities. If child care were capped at 7% of income, 93,449 more parents would have the option to work. This reform would expand New York's economy by 0.9%. That's \$14.3 billion of new economic activity. (Economic Policy Institute, 2020)

Child Care Centers and the Impact of COVID-19

Child care is an essential workforce support and child care providers have struggled to stay afloat during the pandemic. Child care standards for the safety of children do not permit the social distance guidelines required by a pandemic of this scale, nor the limited capacity requirements. In addition, child care providers have struggled to access appropriate personal protective equipment. The WNY Women's Foundation advocates to help essential child care providers access PPE so that they can stay open safely.

Child Care Provider Demographics

- Approximately 50% of child care workers are women of color. (DataUSA, 2018)
- Average female child care worker's salary is \$16,274, average male salary is \$16,390. (DataUSA, 2018)
- The average hourly wage of child care workers is \$10.72 per hour. (Austin, Edwards, Chávez, & Whitebook, 2019)
- 53% of child care workers live in families that utilize public income supports. (Austin, Edwards, Chávez, & Whitebook, 2019)
- Average child care worker's age is 36.3 years old. (DataUSA, 2018)
- Total number of child care workers was 983K, a growing rate of 1.95%. (DataUSA, 2018)

- 51% of people in the US live in what they term "child care deserts." That refers to a census area with over three times more children than licensed child care enrollment slots. (Smith, 2020)
- Hispanic and Latino people make up 57% of those living in child care deserts. (Smith, 2020)
- More than half of Latinx and American Indian and Alaska Native (AIAN) families live in a child care desert. (Novoa, 2020)
- 94% of child care workers are women, and a majority are women of color. (Peck, 2020)
- The average hourly pay for a child care worker is \$11; many women earn the minimum wage or close to it, including some women with decades of experience. (Peck, 2020)
- Nearly half of child care workers receive some kind of government assistance: food stamps, welfare money, or Medicaid. (Whitebook, McLean, & Austin, 2016)
- Women make up 93% of child care workers. (National Women's Law Center, 2020)
- Black early childhood educators still earn an average of \$0.78 less per hour than white early educators, which means \$1,622.40 less per year for a full-time, full-year worker. (Austin, Edwards, Chávez, & Whitebook, 2019)
- 59% of home-based educators live in households with incomes that are less than the national median; for Black educators, this figure is 75%. (Austin, Edwards, Chávez, & Whitebook, 2019)
- Black early educators who work with infants and toddlers earn \$0.77 less per hour on average than other infant-and-toddler teachers; among preschool teachers, this wage gap widens to \$1.71 per hour. (Austin, Edwards, Chávez, & Whitebook, 2019)
- While all teachers experience a "pay bump" for working with older children, the increase for Black educators is smaller than it is for other educators: \$0.96 less per hour on average. (Austin, Edwards, Chávez, & Whitebook, 2019)

National Impact of COVID-19 on Child Care Providers

- More than 330,000 child care workers in the United States lost their jobs in April 2020. (Peck, 2020)
- Without adequate federal support, the coronavirus pandemic could permanently eliminate 4.5 million child care spots: nearly 50% of US child care capacity, which was already far below our country's needs. (Jessen-Howard & Workman, 2020)
- 1 in 3 jobs in child day care centers went away at the beginning of the pandemic, likely for good. (Malik, 2020)
- In March 2020, 30% of surveyed child care providers said that they would not survive a closure of more than two weeks without significant public investment and support that would allow them to compensate and retain staff, pay rent or mortgages, and cover other fixed costs. 17% would not survive a closure of any amount of time without support. 16% would not survive longer than a month, and 25% did not know. Only 11% felt confident that they could survive a closure of an indeterminate length of time without support. (National Association for the Education of Young Children, 2020)
- In March 2020, 49% of surveyed providers reported losing income because of families who cannot pay, another 25% of respondents are losing income because they are reimbursed by the state based on attendance rather than enrollment for the low-income

families they serve who receive child care subsidies. (National Association for the Education of Young Children, 2020)

- Of childcare providers that remained open in some way during the pandemic, 85% reported that they were operating at less than 50% of their enrollment capacity, and the majority of those—65%—were operating at less than 25% of capacity. (National Association for the Education of Young Children, 2020)
- Prior to the pandemic, there were 2.61 children for every child care slot. With the projected losses from COVID-19, there would be 4.16 children for every slot. (Smith, 2020)

Impact of COVID-19 on Child Care Providers in New York State

- Outside of New York City, 28% of child care providers that can serve infants and toddlers have closed, including 22% of family child care providers and 50% of child care centers that can serve infants and toddlers. (The Education Trust - New York, 2020)
- Nearly 9 in 10 open providers that can serve infants and toddlers (88%) have self-reported enrollment between zero and 50% of their capacity. (The Education Trust - New York, 2020)
- New York is projected to lose nearly 180,000 regulated slots. (Nabozny, 2020)

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