NATIONAL WOMEN'S LAW CENTER

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One in Five Child Care Jobs Have Been Lost Since February, and Women Are Paying the Price

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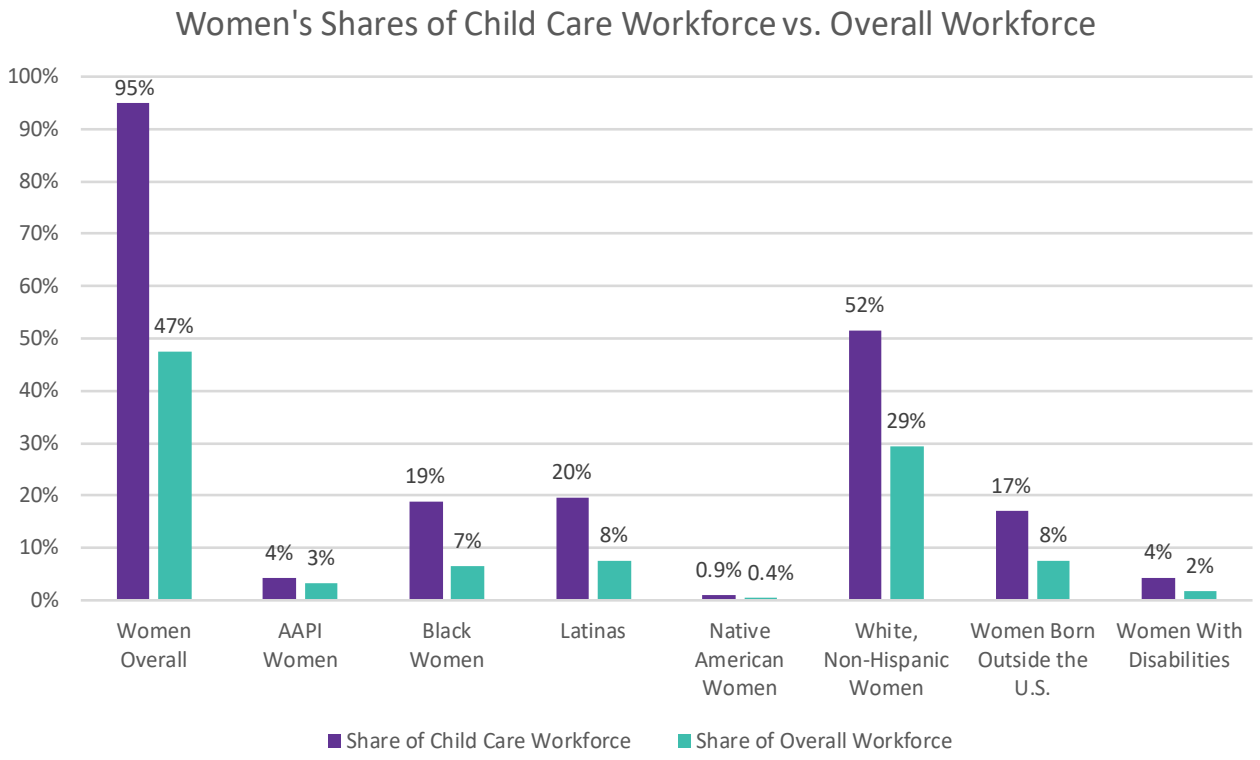
Child care workers are the backbone of our economy. High-quality child care allows parents to stay in the workforce, and is particularly important for mothers, who still typically take on most of the caregiving responsibilities at home.[1] Child care workers also provide an essential role in supporting children's learning and healthy development—more critical than ever for children experiencing the disruption of the public health crisis. Yet even before the pandemic began, child care workers—nearly all of whom are women—were underpaid and undervalued. As COVID-19 forced many providers to close, the child care industry has suffered massive job losses. Between February and April 2020, the industry lost 370,600 jobs, over a third of its workforce, with women accounting for 95% of those losses.[2] Between April and July, only about 4 in 10 (42%) of the lost jobs returned.[3] As of July, the child care workforce is only 79% as large as it was in February, before the pandemic began.[4]

Child care providers that are open or attempting to re-open must bear the additional costs associated with cleaning, personal protective equipment (PPE), equipment and facilities modifications to meet public health guidelines, and finding and hiring substitutes when educators get sick. In order to safely maintain social distancing, and because of declines in demand given parental job loss and fear of infection, providers are also likely to be caring for fewer children. The resulting decline in revenue, combined with heightened operational costs, will make the industry increasingly unstable over the coming months. Without at least $9.6 billion per month in support from the federal government, the child care sector will not survive this crisis.[5] Lawmakers must make this critical investment now to affirm what working families already know—that child care is essential.

Nearly All Child Care Workers Are Women

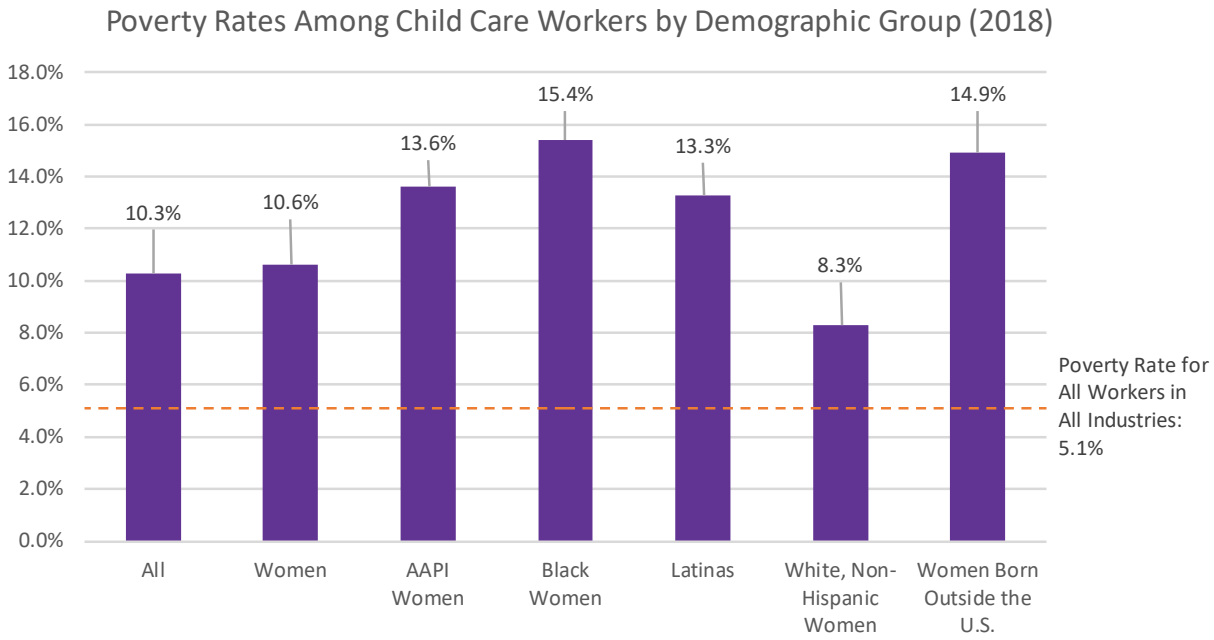
- Women make up approximately half (47%) of the overall workforce, but are 95% of the child care workforce.[6]
- Women of color are overrepresented in the child care workforce. For example, one in five (20%) child care workers are Latina, and an additional 19% are Black women. By comparison, Latinas and Black women make up just under 8% and 7% of the overall workforce, respectively.[7]
- Women born outside the U.S. are 17% of the child care workforce, compared to 8% of the overall workforce.[8]
- Women with disabilities are 4% of the child care workforce, but just under 2% of the overall workforce.[9]



Source: NWLC calculations based on 2019 CPS ASEC, using IPUMS. In the CPS, respondents self-identify their sex, race, disability status, whether they are Latinx, and whether they were born outside the U.S.

Many Child Care Workers Were Struggling to Make Ends Meet Before the Pandemic

- Child care workers are underpaid and undervalued. In 2018, typical annual wages for a woman working full time, year round in the child care industry were $29,900, or approximately $14.38 per hour. Black women working full time, year round in child care typically made even less ($27,000 per year, or $12.98 per hour), and full-time, year-round Latina child care workers typically made only $22,074 per year, or $10.61 per hour.[10]
- In 2018, one in ten child care workers (10%) had incomes below the federal poverty line, meaning the poverty rate for child care workers was twice the poverty rate for workers overall (5%). Poverty rates among AAPI women, Black women, Latinas, and women born outside the U.S. working in child care were even higher.[11] Moreover, the federal poverty line, which was just $20,231 for a parent with two children in 2018,[12] barely begins to capture what families need to make ends meet.[13]



Source: NWLC calculations based on 2019 CPS ASEC, using IPUMS.

- Many child care workers struggle to afford child care for their own children. The typical annual cost of full-time, center-based care for an infant is $11,107,[14] which is 37% of the annual salary for a typical woman working full time, year round in child care, 41% of the typical annual salary for a Black woman working full time, year round in child care, and 50% of the typical annual salary for a full-time, year-round Latina child care worker.[15]
- Many child care workers lack the benefits they would need to return to work safely. Fewer than one in three (28%) child care workers are policyholders for employer-sponsored health insurance, compared to more than half (51%) of workers overall.[16] Low-paid jobs typically provide little, if any, paid sick time or paid family and medical leave,[17] and many child care workers are excluded from the emergency paid sick days and paid caregiving leave provisions enacted in federal coronavirus relief packages due to exemptions for employers with fewer than 50 or more than 500 employees.[18] And child care providers strapped for funds struggle to afford necessary PPE for their staff.

Child Care Workers Need Immediate Relief and an Equitable Recovery

To support child care workers and providers and the families they serve, Congress must provide at least $50 billion in stabilization funding to fund premium pay for child care workers in programs that remain open during the pandemic, cover the operational costs of providers (whether closed or open), and alleviate cost burdens for families.[19] And as we look ahead to our eventual recovery, Congress must also advance solutions that finally and fully value caregiving work. This includes requirements and funding to support child care educators with a living wage and benefits coupled with a pathway to higher wages equivalent to similarly qualified K-12 educators, and investments to raise payments to child care providers that serve families with low to moderate incomes, so they can cover their operational costs and pay educators fairly without increasing costs for families.[20] To fully and equitably recover from this crisis and strengthen our economy, we need structural changes to our child care system to ensure that all families have access to high-quality, affordable child care provided by educators who are supported and paid what they deserve.

1 Katherine Clark & Fatima Goss Graves, CNN, Women are in a terrible new bind (July 2020), available at https://www.cnn.com/2020/07/29/opinions/child-care-coronavirus-women-workforce-clark-graves-opinion/index.html.

2 NWLC calculations based on U.S. Department of Labor, Bureau of Labor Statistics (BLS), historical data for Table B-5a: Employment of women on nonfarm payrolls by industry sector, seasonally adjusted, available at https://beta.bls.gov/dataViewer/view/timeseries/CES6562440010 and https://beta.bls.gov/dataViewer/view/timeseries/CES6562440001.

3 NWLC calculations based on BLS, historical data for Table B-1: Employees on nonfarm payrolls by industry sector and selected industry detail, available at https://beta.bls.gov/dataViewer/view/timeseries/CES6562440001.

4 *Id.*

5 Rebecca Ullrich et al., National Women's Law Center and Center for Law and Social Policy (CLASP), Child Care is Key to Our Economic Recovery (Apr. 2020), available at https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/04/CCKeytoEconomicRecoveryNWLC.pdf.

6 NWLC calculations based on U.S. Census Bureau, 2019 Current Population Survey (CPS), Annual Social and Economic Supplement, using IPUMS-CPS, University of Minnesota, https://cps.ipums.org/cps/. CPS respondents self-identify their sex as either male or female. Throughout this factsheet, "child care workers" or "the child care workforce" refers to workers who indicated they worked in the "child day care services" industry on the CPS, rather than those who identified their occupation as "child care worker" on the CPS. Among workers in the child day care services industry, approximately half (47%) identified their occupation as "child care worker" on the 2019 CPS. An additional 29% identified their occupation as "preschool and kindergarten teacher." The remaining 24% of the workforce includes those working as administrators, teaching assistants, and various other occupations.

7 *Id.* Black women are those who self-identified their race as Black or African American. Latinas are those who self-identified as being of Hispanic, Latino, or Spanish origin. Latinas may be of any race. Asian American and Pacific Islander (AAPI) women are those who self-identified as Asian or Hawaiian/Pacific Islander, and Native American women are those who self-identified as American Indian or Alaska Native. For more information, see the CPS ASEC demographic questionnaire https://www2.census.gov/programs-surveys/cps/techdocs/questionnaires/Demographics.pdf.

8 *Id.* "Women born outside the U.S." includes those who are not citizens and those who are naturalized citizens, but does not include those who were born abroad to U.S. citizen parents.

9 *Id.* In the CPS, persons with disabilities are those who have self-identified as having any physical or cognitive difficulty.

10 *Id.* Figures are median annual wages for full-time, year-round child care workers in each demographic group. Median annual wages for white, non-Hispanic women working full-time, year-round in child care were $30,000 in 2018, and median annual wages for women born outside the U.S. working full-time, year-round in child care were $26,000. Due to sample size constraints, median annual wages for AAPI women and Native American women working in the child care industry are unavailable.

11 *Id.* Due to sample size constraints, the poverty rate for Native American women working in child care is unavailable.

12 U.S. Census Bureau, Poverty Thresholds for 2018, https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html (last visited July 17, 2020).

13 For example, the Economic Policy Institute estimates that a family of that size living in Columbus, Ohio would need more than three times a poverty-level income ($67,180) to pay for basics like rent, groceries, child care, and health insurance. See Econ. Policy Inst., Family Budget Calculator, https://www.epi.org/resources/budget/ (last visited July 17, 2020).

14 NWLC calculations based on Lynette Fraga et al., Child Care Aware of America, The U.S. and the High Cost of Child Care: Appendices 2 (2019), https://www.childcareaware.org/our-issues/research/the-us-and-the-high-price-of-child-care-2019/. This calculation uses average annual costs of full-time, center-based child care for an infant in 48 states and the District of Columbia. The median of these averages is $11,107.

15 NWLC calculations based on 2019 CPS ASEC, using IPUMS.

16 *Id.*

17 *See, e.g.*, https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/04/paid-fmla-fs-1.pdf.

18 Jenna Gallagher et al., NWLC, Paid Leave in the Families First Coronavirus Response Act: How Child Care Providers Are Left Behind (March 2020), available at https://nwlc.org/resources/paid-leave-in-the-families-first-coronavirus-response-act-how-child-care-providers-are-left-behind/

19 *See generally* https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2020/04/Improving-and-Expanding-Child-Care-Assistance-to-Stabilize-Our-Economy-1-2.pdf.

20 *Id.*