

The Business Case

For Investing in High-Quality Child Care



CHILD CARE INDUSTRY ECONOMIC & JOB IMPACT

in

IOWA

Every week in Iowa

202,698 children

are in paid child care.

SIZE OF THE MARKET-BASED CHILD CARE INDUSTRY IN IOWA



Total ECONOMIC impact (2016)

\$953 million

\$518 million
child care revenue
PLUS
\$435 million spillover
in other industries



Total EARNINGS impact (2016)

\$482.2 million

\$320 million
employee compensation and
sole proprietors' earnings
PLUS
\$162 million spillover
earnings in other industries



Total JOBS impact (2016)

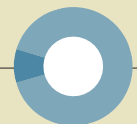
27,634 jobs

22,155
sole proprietors and wage
and salaried employees
PLUS
5,479 spillover
jobs in other industries

MARKET-BASED CHILD CARE

11,586
Total Providers

840
centers



10,746
family
child care
homes

FAMILY CHILD CARE HOMES



have **declined by 20.4%** since 2010
resulting in

- Fewer choices for working parents
- Less of the lowest-cost care

IMPACT ON WORKING PARENTS

WITHOUT AFFORDABLE CHILD CARE

Parents reduce their hours
or opt out of the workforce



94%

of workers
involuntarily
working part-time
due to child care problems
are women.

ANNUAL COST OF CHILD CARE



INFANTS



4 YEAR-OLDS

CENTER-BASED CARE

\$10,131

18.6%
of household
income

\$8,428

14.4%
of household
income

FAMILY CHILD CARE HOMES

\$7,070

12.1%
of household
income

\$7,800

13.3%
of household
income

Sources: Committee for Economic Development of The Conference Board, *Child Care in State Economies: 2019 Update*; 2016 U.S. Census Bureau Economic Census and County Business Pattern data and non-employer statistics data; Current Population Survey for the 2015-2017 period; 2016-2017 National Survey of Children's Health (NSCH), U.S. Department of Health and Human Services; and Child Care Aware of America 2017 child care rates, *the U.S. and the High Cost of Child Care* (2018).