

The Economic Case

For Investing in High-Quality Child Care



CHILD CARE INDUSTRY ECONOMIC & JOB IMPACT

IN THE UNITED STATES

there are

14.7 million children

under age 6 in working families.

SIZE OF THE MARKET-BASED CHILD CARE INDUSTRY



Total ECONOMIC impact (2022)

\$152.2 billion

\$68.5 billion

child care revenue

PLUS

\$83.7 billion spillover

in other industries



Total EARNINGS impact (2022)

\$57.1 billion

\$32.7 billion

employee compensation and
sole proprietors' earnings

PLUS

\$24.5 billion spillover

earnings in other industries



Total JOBS impact (2022)

2.2 million jobs

1.5 million

sole proprietors and wage
and salaried employees

PLUS

651,605 spillover

jobs in other industries

MARKET-BASED CHILD CARE

624,300
Total Providers

76,850
centers



547,465
family
child care
homes

FAMILY CHILD CARE HOMES



have **declined by 26.8%** since 2011
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

\$14,257

18.3%

of household
income

\$11,431

14.7%

of household
income

FAMILY CHILD CARE HOMES

\$10,456

13.5%

of household
income

\$9,483

12.2%

of household
income

Sources: Committee for Economic Development of The Conference Board, Child Care in State Economies: 2024 Update; 2022 U.S. Census Bureau Economic Census and County Business Pattern data and non-employer statistics data; Current Population Survey for 2024; American Community Survey, 2023 1-Year Estimates; 2022 National Survey of Children's Health (NSCH), U.S. Department of Health and Human Services; and Child Care Aware of America 2023 child care rates, the U.S. and the High Cost of Child Care (2024). Note: Regulations for child care licensing vary by state. The economic information provided through the U.S. Census Bureau Economic Census includes employers and sole proprietors who report child care business income. This does not mean such entities are regulated by the state or are in compliance with state law. Therefore, state regulatory lists may vary from child care business data reflected in the Census Bureau data.