

Childcare forcing 59% of parents with young children to cut back on essentials ^[1]

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EXCERPTS

Childcare costs are forcing 59% of parents of young children to cut back on everyday essentials like food, clothing, and gas, asserts a new survey by the Bipartisan Policy Center, an influential Washington think tank.

Childcare has forced about the same number to delay or decrease spending for emergencies according to the poll while 75% of parents have reduced spending on nonessentials.

While childcare is stretching outgo for moms and dads, it's also crimping income.

Nearly seven out of 10 parents told the researchers childcare challenges affected their ability to stay in the workforce.

Among parents who did stay on the job, 30% reduced work hours to limit childcare costs.

On the other side of the coin, 55% of mothers and fathers with young children have worked overtime to afford care and 42% have changed jobs to find more flexible hours in response to childcare costs and challenges.

For almost half of parents, childcare costs have forced them to delay or decrease retirement savings.

Accumulating or delaying debt is also a reality for many.

Forty-two percent of parents have taken on credit card debt to pay for childcare as 26% have put off payments on student loans.

Parents making under \$50,000 are being squeezed the most.

"(The difficulties) should be a guiding light to inform how policy and decision makers work to help working parents find and pay for childcare that fits their needs in the communities they live in," says the think tank.

The report indicates childcare spending could be crimping the sale of big ticket items in the economy.

Forty-nine percent of parents say the costs have forced them to defer purchasing a home or a car.

Speaking about homes, to handle the costs nearly one in four parents have moved closer to grandparents, other family members or friends.

The results are based on a national sample of 800 parents of children under the age of five currently paying for childcare and with at least one household member who was employed between October 11 and 17.

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