

# Child-care benefits could help ease the worker crunch, an advocacy campaign says <sup>[1]</sup>

A survey by McKinsey & Company and Marshall Plan for Moms found that few workers had access to child-care benefits, but most mothers said such benefits would make them more likely to accept a job

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## AVAILABILITY

Access online <sup>[2]</sup>

## EXCERPTS

Almost half of mothers with young children who left the work force cited child care as a reason for the move, according to a survey released Wednesday, and 69 percent of women looking for a job said child-care benefits could sway their decision on where to work.

The survey of more than 1,000 workers, by the consulting firm McKinsey & Company and Marshall Plan for Moms, a campaign focused on the economic participation of mothers, adds to research exploring how the lack of child care continues to drag on the economy and tighten an already-hot labor market.

“Companies are scrambling for talent,” said Reshma Saujani, who founded Marshall Plan for Moms and Girls Who Code, a nonprofit aimed at closing the gender gap in tech. “Our report shows that you can attract, retain and advance women in the work force only through the provision of offering child-care benefits.”

Child care has long been too scarce or too expensive for most families. And during the pandemic, the industry more or less collapsed, as day-care centers struggled to stay open and child-care workers quit en masse.

Many executives and child-care activists had hoped that President Biden’s sprawling infrastructure plan would provide support for the industry. But the pared-back bill was signed into law without big investments in child care. Ms. Saujani says the onus is now on the private sector.

Most salaried and hourly workers do not have access to child-care benefits. Six percent of hourly workers surveyed and 16 percent of salaried workers said they had access to child-care subsidies. The same percentage of hourly workers, and even fewer salaried workers, reported that their employer provided backup child care or offered pretax flexible spending accounts that could be used to pay for care. About 30 percent of respondents said they had flexible working hours.

Ms. Saujani’s campaign is forming a business coalition that includes Patagonia and Archewell, the production company founded by Prince Harry and Meghan, the Duchess of Sussex. To sign on, companies must offer a child-care subsidy or benefit or intend to provide one, Ms. Saujani said. Once they join the coalition, businesses can share and learn best practices from one another.

Synchrony, a financial services firm that is part of the coalition, found that offering its employees creative child-care options led to a surge in job satisfaction and an influx of applications for job openings, said Carol Juel, the company’s chief technology and operating officer.

In the summer of 2020, the company created a virtual summer camp, putting high school and college children of their employees in charge of keeping 3,700 campers occupied in exchange for mentorship training and college credit. And the company would “send out, every Friday, the next week’s schedule so that workers could plan their meetings around this,” Ms. Juel said.

Fast Retailing USA, which operates apparel brands including Uniqlo, Theory and Helmut Lang and is also part of the coalition, has started offering monthly child-care stipends of up to \$1,000 for many employees, including store managers. The money can be spent in any way they see fit rather than being tied to specific providers.

“A lot of the people who were involved in sponsoring this policy, myself included and some of our heads of human resources, all have kids the same age,” said Serena Peck, Fast Retailing’s chief administrative officer and general counsel. They were seeing firsthand how “the market was shrinking for good child care” and “felt like we had to do something.”

**Region:** United States <sup>[3]</sup>

**Tags:** child care benefits <sup>[4]</sup>

early childhood workforce <sup>[5]</sup>

child care policy <sup>[6]</sup>

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