

Survey: Child care issues make American parents lose \$359 million in wages — Each week ^[1]

A new survey quantifies how big of an impact child care issues have on American parents by calculating how much money is lost in wages each week.

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AVAILABILITY

Access online ^[2]

EXCERPTS

Child care can be a very stressful part of parenting. If you're lucky enough to find a person or a center you trust, affording care is a puzzle that doesn't always work. Plus, things get even more hectic when you factor in sick days, schedule changes, emergencies, access, and affordability. So it's no wonder parents are stressed to the max, and a new survey suggests they're also losing a lot of money due to child care issues.

MagnifyMoney wanted to find out how big of an impact child care issues have on American parents. So, using several metrics, they investigated how much money in wages Americans lose each week due to complications with securing child care.

"Lost hours were calculated with U.S. Census Bureau microdata from the March 2021 Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS), as well as microdata average monthly results (July 2021 to June 2022) from the Basic Monthly CPS," *MagnifyMoney* reports. "Average hourly wage data was calculated from the Basic Monthly CPS June 2022 microdata, while households with minor children are from the Census Bureau 2020 American Community Survey with five-year estimates."

MagnifyMoney tracked how many paid hours were lost based on a self-reporting scenario in which participants would indicate if they took off the previous week because of child care problems; if they have to work only part-time because child care issues prevent them from working full-time hours; if they typically work full-time hours but had to drop hours the previous week due to child care; or if they haven't worked in the past four weeks due to issues with child care.

Then, using the metrics for how many U.S. households have kids, what the average hourly wage is, and the survey data, *MagnifyMoney* estimated that working families with child care issues lose \$9,545 a week in wages per 1,000 households with kids — or 476.4 hours of work per 1,000 households.

Looking at all the numbers, *MagnifyMoney* says American parents lose about \$358.9 million in wages every week, or approximately 17.9 million hours of paid work, due to child care issues. "The cost of child care has skyrocketed, putting many middle-class families in a tough situation," *MagnifyMoney* executive editor Ismat Mangla says. "Often both parents have to work to make ends meet — but child care costs eat into those earnings."

When it comes to wages lost due to child care issues, the states with some of the the largest populations lose the most hours and wages, which makes sense. However, it's still startling to see how much money is lost in the country's most populated areas.

- California loses 2,666,809 hours of work for a total of \$57,385,668 in lost wages each week.
- New York loses 1,319,383 hours of work and \$32,505,547 in lost wages each week.
- Texas loses 1,633,547 hours of work and \$31,174,440 in lost wages each week.
- New Jersey loses 702,485 hours of work and \$16,782,149 in lost wages each week.
- Washington loses 644,719 hours of work and \$14,382,942 in lost wages each week.

"Texas, Florida, and New York, the three largest states behind California, all rank among the ten that lose the most weekly wages," *MagnifyMoney* states. Even the states that lose the least amount of money in wages each week from child care problems still lose a lot of money.

- Maine loses 41,398 hours of work for a total of \$861,254 in lost wages each week.
- Vermont loses 35,836 hours of work and \$845,641 in lost wages each week.
- North Dakota loses 34,345 hours of work and \$587,472 in lost wages each week.
- Delaware loses 25,995 hours of work and \$519,380 in lost wages each week.
- Wyoming, which loses the least amount of money among the states and the District of Columbia, loses 11,353 hours of work for a

total of \$202,083 in lost wages each week.

Region: United States ^[3]

Tags: child care ^[4]

parents ^[5]

wages ^[6]

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Links

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