

# Parents and the high cost of child care: 2014 Report <sup>[1]</sup>

**Author:** Child Care Aware of America

**Source:** Child Care Aware of America

**Format:** Report

**Publication Date:** 9 Dec 2014

## AVAILABILITY

[Access full report \[PDF\] <sup>\[2\]</sup>](#)

### Description:

Eleven million children younger than age five are in some form of child care in the United States. The Parents and the High Cost of Child Care: 2014 Report summarizes the cost of child care across the country, examines the importance of child care as a workforce support and as an early learning program, and explores the effect of high costs on families' child care options. The 2014 report continues to expose child care as one of the most significant expenses in a family budget, often exceeding the cost of housing, college tuition, transportation or food.

### Executive summary:

#### *Child Care in America*

Nearly 11 million children under the age of five across the nation require child care services each week. High-quality child care not only helps parents to be more productive at work, but also provides benefits to young children, including improving school readiness.

This section details common child care settings, the economic benefits of high quality child care for parents and their employers, and the developmental and educational benefits of high-quality child care for young children.

#### *Why Child Care Costs Are High*

Child care and early education is a laborintensive industry which leads to high costs for families, despite the fact that child care workers are among the lowest paid professionals nationwide.

This section explores the costs that child care providers bear, including the inputs needed to provide high-quality child care and the necessary state regulations that providers must meet.

#### *Average Cost in the States*

The cost of child care varies widely across states, and the cost of living in each state also affects the affordability of child care for families. In order to compare the cost of child care across states, we examine the average cost of care in each state in relation to the state median income for married couples with children and the state median income for single mothers.

Using this method, this section ranks the top ten least affordable states for center-based child care at each age level, including infant care, four-year-old child care, and before and after school care for a school-age child.

#### *Child Care and the Family Budget*

Child care costs consume a major portion of family expenses. Average expenses for child care can rival expenses for housing, transportation, and even tuition and fees for public colleges. The high cost of child care can be particularly difficult for low-income families and single parents. Across all 50 states, the cost of center-based infant care averaged over 40 percent of the state median income for single mothers.

In this section, we examine how the cost of child care compares to other family expenses, including housing, transportation, food, and college tuition. Additionally, we examine the high relative cost of child care for families at the poverty level.

#### *Paying for Child Care*

Families bear the majority of the burden for child care costs. While some public funding is available for child care, the incomplete patchwork of support often does not provide enough assistance for families, who may opt to place their child in an informal or unlicensed child care setting due to the high cost of high-quality care. This section details the various sources of child care funding, including families, federal funding, income tax credits, and other sources.

#### *Expanding Access to Quality Affordable Child Care*

Funding high-quality child care services is a national concern for government, business leaders, and families alike. In this section, we

explore creative solutions to the high cost of child care, including building an environment for child care providers that encourages and supports highquality practices and involving businesses in the creation of child care solutions for their employees and communities. The section also details strategies to support individual families in accessing high-quality child care.

### *Conclusions and Recommendations*

Considering the findings of this report, Child Care Aware recommends:

The commencement of a national discussion about the impact of the high cost of child care and the cost of quality in child care. This conversation should explore federal and state options; innovative, low-cost solutions that have shown success; what has worked in other industries; and what models currently exist within communities that have seen success.

Congress require the National Academy of Sciences to produce a study on the true cost of quality child care and to offer recommendations to Congress for financing that supports families in accessing affordable, quality child care.

Congress review and consider what policy options are available to help families offset the rising cost of child care, including, but not limited to raising dependent care limits for deductions or providing additional tax credits for families and providers, creating publicprivate partnerships, and looking to existing states with successful financing models.

Federal and state governments commit to investing in early care and education programs, especially considering the recent historical progress at the federal level towards ensuring all children in low-income, working families have access to affordable, quality child care.

Our full recommendations are detailed further in the concluding section of this report.

**Related link:** Here's where child care is the is the least affordable around America [3]

**Region:** United States [4]

**Tags:** affordability [5]

accessibility [6]

---

**Source URL (modified on 27 Jan 2022):** <https://childcarecanada.org/documents/research-policy-practice/14/12/parents-and-high-cost-child-care-2014-report>

### **Links**

[1] <https://childcarecanada.org/documents/research-policy-practice/14/12/parents-and-high-cost-child-care-2014-report> [2]

<https://www.childcareaware.org/wp-content/uploads/2016/12/costofcare20141.pdf> [3] <https://www.childcarecanada.org/documents/child-care-news/14/12/heres-where-child-care-least-affordable-around-america> [4] <https://childcarecanada.org/taxonomy/term/7865> [5]

<https://childcarecanada.org/category/tags/affordability> [6] <https://childcarecanada.org/category/tags/accessibility>