

Childcare as a Workforce Issue

Presented at the Childcare Solutions Summit

May 29th 2019

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Montana's Economy is Growing

15th fastest population growth among states over the last five years.

Montana has the **highest** rate of business ownership in the nation.

Over **2,940** new business were created in the last year.



Montana has had the **4TH FASTEST WAGE GROWTH** over the last 10 years!

From 2015 to 2016, Montana's mean household income grew by

4.8%

RANKING 12th AMONG STATES.



Montana's personal income per capita is

\$43,907

RANKING 35th AMONG STATES.





Montana's Worker Shortage

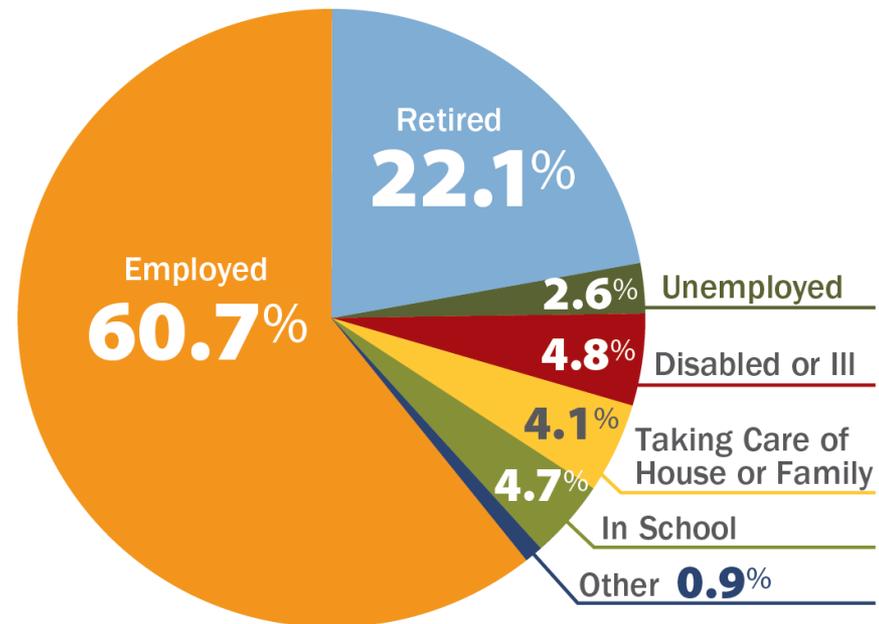
3.6%

unemployment rate is well below the normal rate.

1/5th

of the state workforce expected to retire in the next 10 years.

Labor Force Status of Montanans 16 and Over

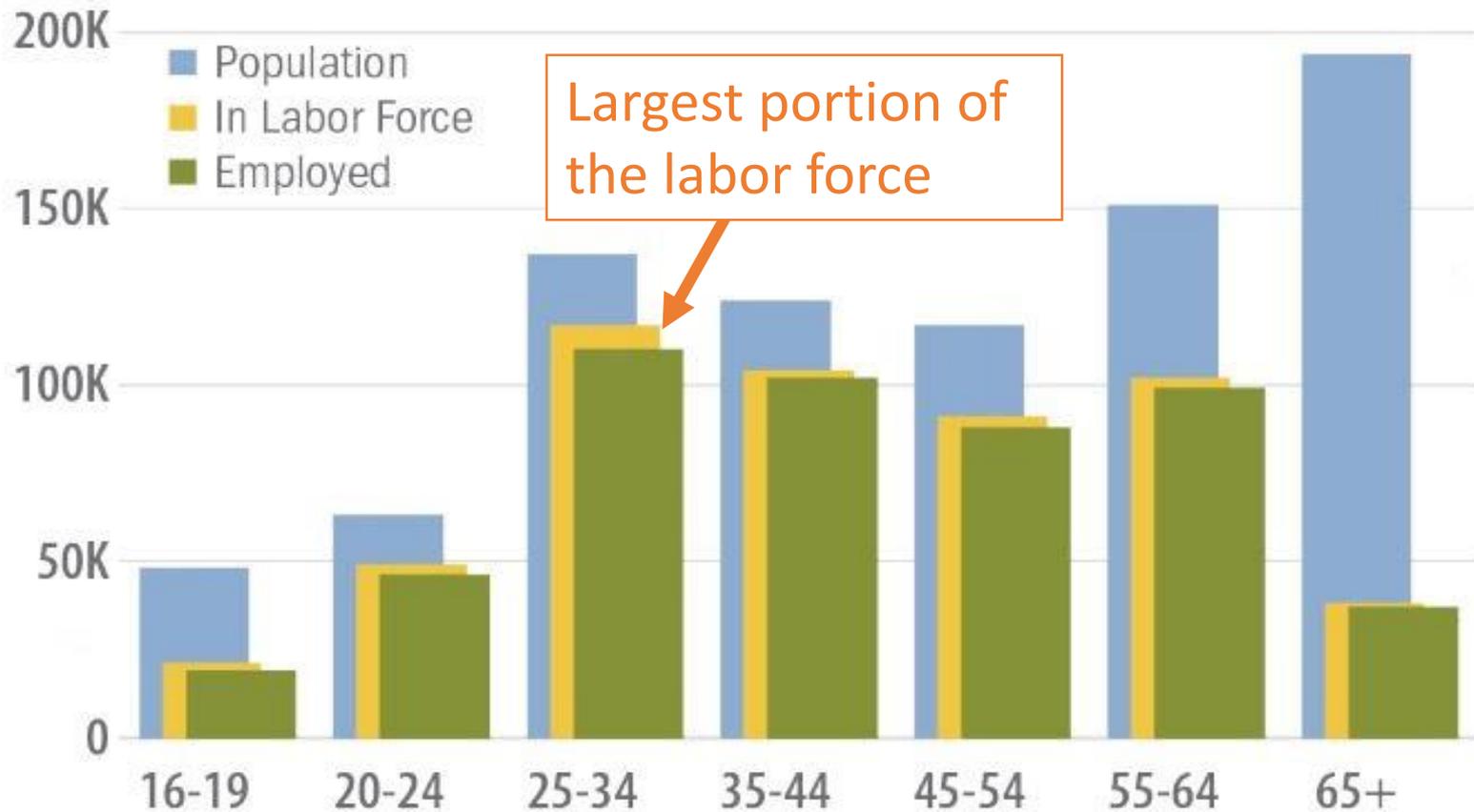


Source: Current Population Survey through DataFerret, BLS and U.S. Census, compiled by MTDLI. July 2015 through June 2017. Retired includes those out of the labor force but over 65.



Montana Workers by Age

Our population is aging, but the workforce is getting younger.





Childcare by the Numbers

45,000

Children under five with working parents

20,000

Capacity at licensed childcare facilities

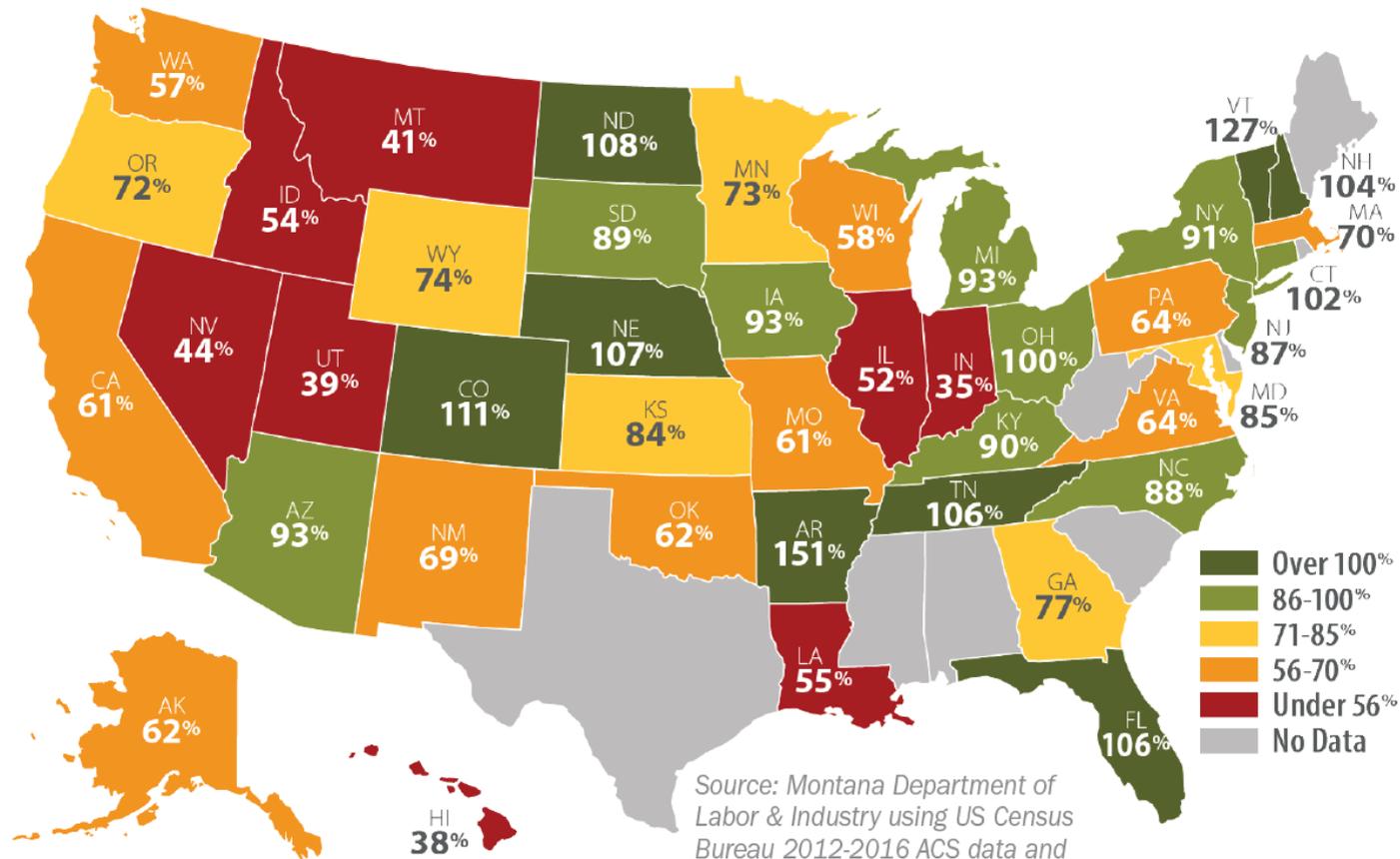
41%

Of demand met by current licensed capacity



Capacity Less Than Half of Demand

Montana ranks **40th** in terms of childcare availability.



Source: Montana Department of Labor & Industry using US Census Bureau 2012-2016 ACS data and Child Care Aware Survey, 2017.



Limits to Childcare Expansion

Workforce Shortage

Childcare providers face the same problems as other businesses looking to expand – a lack of available workers.

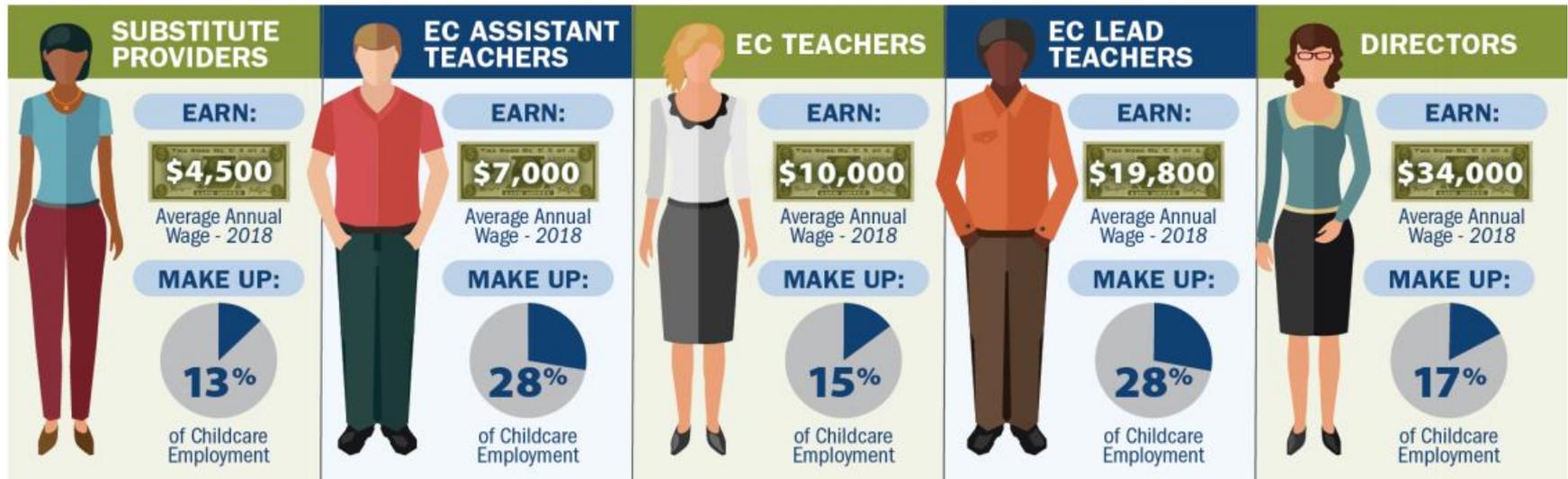


Unmet childcare demand is both a CAUSE and an EFFECT of the state's workforce shortage.



Low Wages for Childcare Workers

Childcare workers earn about **\$9.84** per hour, which translates to about **\$20,460** a year when working full-time.



Source: DPHHS and MTDLI wage match for caregivers employed on 3/1/19. Wages and percent employed determined using 2018 UI admin wage data from MTDLI. Family home and FFN providers excluded due to lack of wage data.

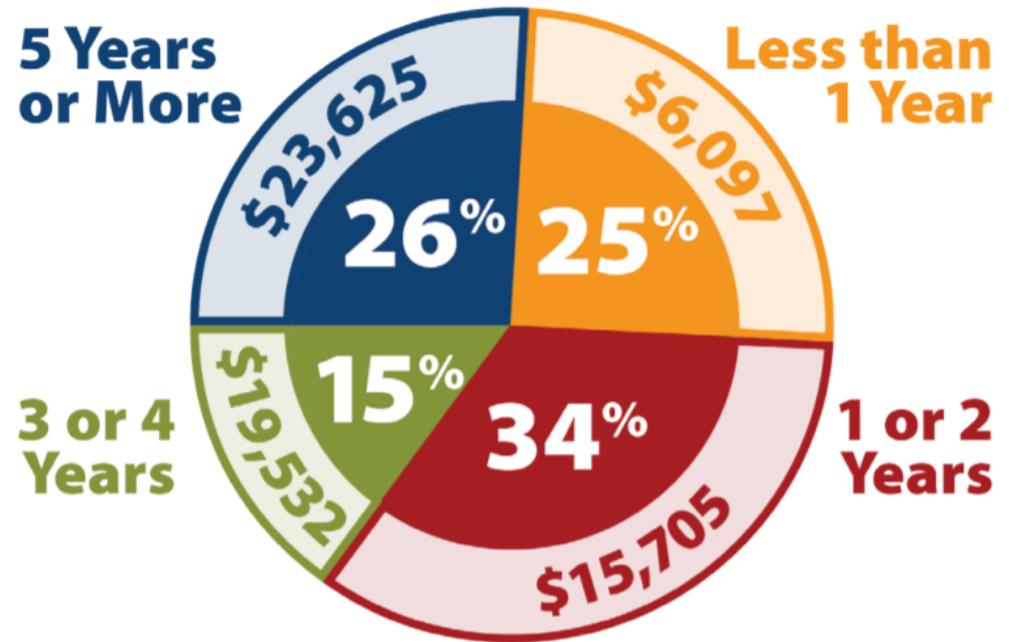


Impacts on Childcare Wages

Wages grow with:

- Experience
- Professional Development
- Provider Size

Childcare Workers by Experience



Source: MTDLI and DPHHS wage match, 3/1/19. Wages reported for 2018 calendar year.



A Workforce Decision

Parental Decision

Without access to high-quality affordable childcare, parents are faced with a decision....

To work or to stay home?

Many factors influence their decision:

- Wages and benefits
- Support systems
- Childcare availability
- Cost of care
- Personal preference



Workforce Impacts in Montana

42%

Of people out of the labor force cite family responsibilities.

2,700

Montana's are not looking for work specifically due to a lack of childcare

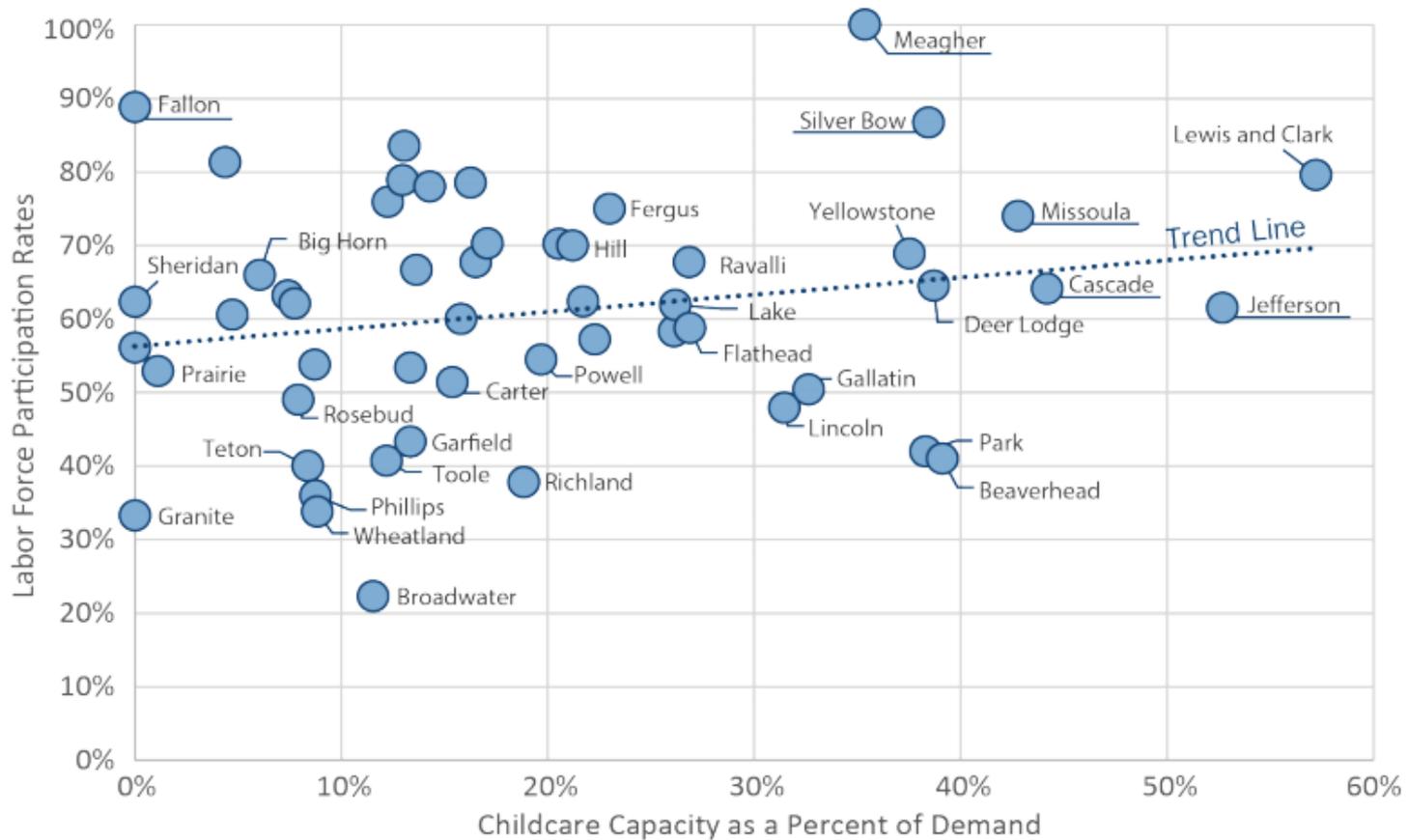
Low labor force participation rates for mothers of young children





Workforce Impacts for Mothers

Childcare availability and labor force participation rates are positively correlated





Addressing the Workforce Shortage

Improve productivity

- Technological advancements
- Human capital investments

Increase the labor force

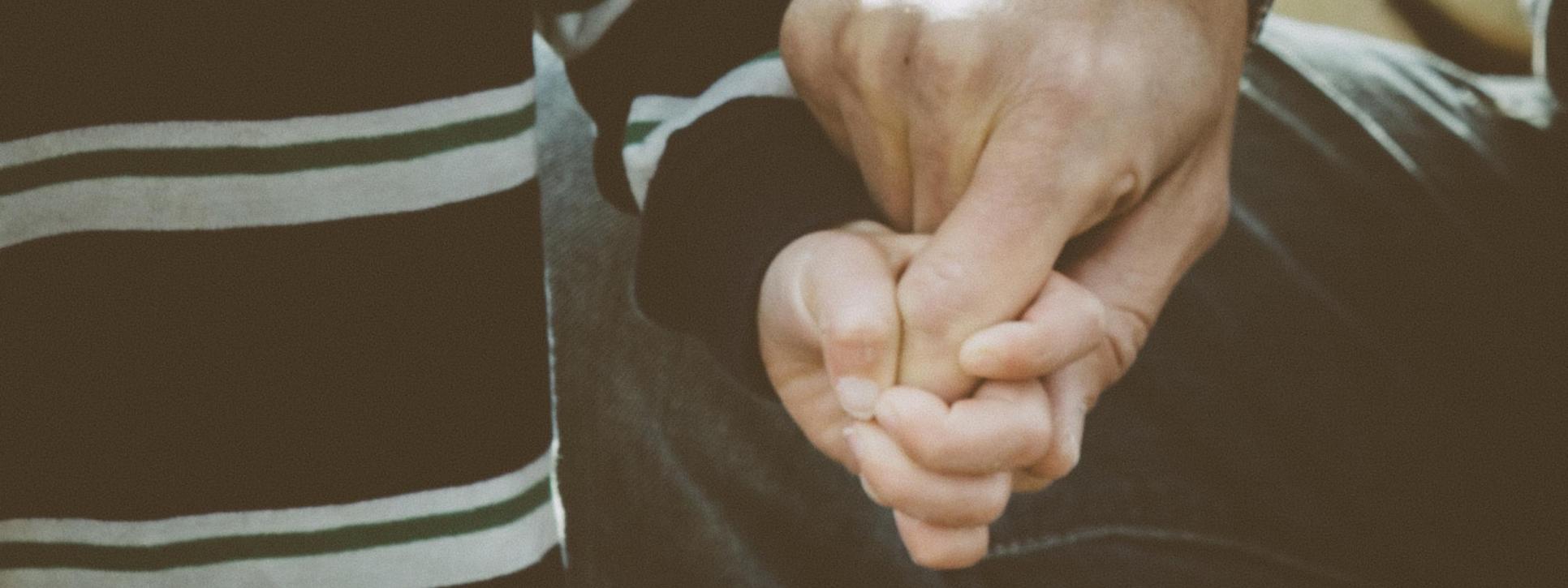
- In-migration
- **Attract more Montanans into the labor force**



Addressing the Workforce Shortage

Recruitment and retention of young families
in the workforce.

How do we engage with and support them?



More Information at lmi.mt.gov

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