

Child Care and the Economy

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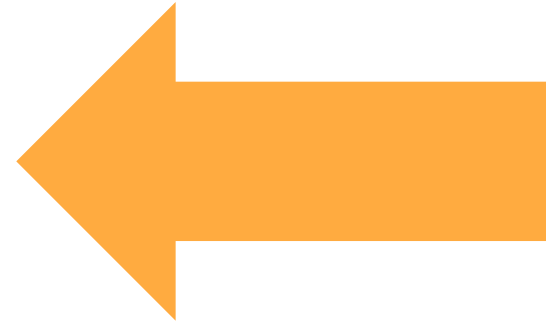
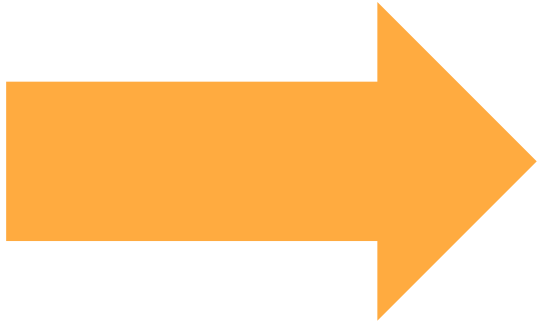
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Under the 7% standard, a family would need \$195,000 in annual income **to afford care for one child.**

At about \$15 per hour, ECE teachers **earn less than half the Alaska average wage.**



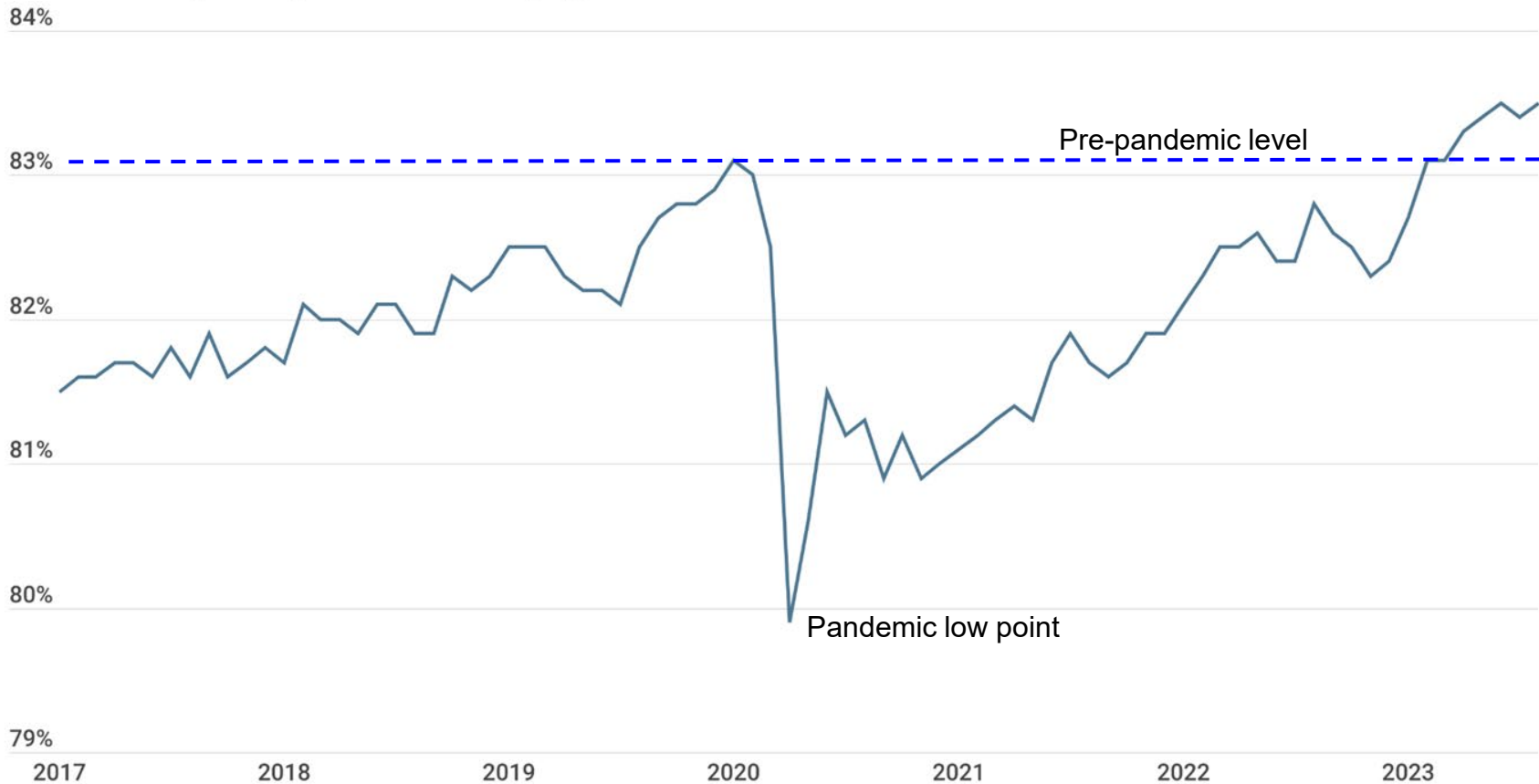
Two job openings per unemployed person! Reasons include:

- Aging of population
- Out-migration trend
- Pandemic disruptions
- Lack of child care



Prime age population is back to work

Labor force participation in the US, ages 25-54.



79%

2017

2018

2019

2020

2021

2022

2023

Source: BLS

Before kids:

Men: 84%

Women: 79%

Before kids:

After kids:

Men: 84%

Men: 96%

Women: 79%

Women: 67%

Source: St. Louis Federal Reserve, 2021

36%

...of Alaska nonprofits say lack of child care “affects recruitment and retention.”

58%

...of private employers say child care services are a “very important” issue for the Anchorage economy.

- Employers need workers
- People need places with high quality of life
- Places that attract people have an advantage
- Child care anyone?

Site Selection Factors	2022	2021
Ranking		
1. Labor costs	89.1	96.4 (1)**
2. Quality-of-life	87.1	82.1 (11T)
3. Availability of skilled labor	85.8	94.9 (2)
4. Energy availability	82.3	94.7 (3)
5. Construction costs	81.2	82.1 (11T)
6. ICT/broadband	80.7	36.8 (26)
7. Corporate tax rate	79.7	87.7 (7)
8. Energy costs	79.4	N/A
9. Environmental regulations	79.0	82.5 (9)
10. Available land	78.1	62.5 (19)

Source: Area Development Magazine, national survey 2022

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