

SNAPSHOT

CHILD CARE IN ALASKA

Child Care is Critical for Alaska's Workforce



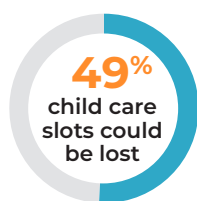
56% of children under 6 have all available parents in the labor force.¹

Child Care is Critical for Reducing Gender Disparities in Economic Participation



67% of mothers with children under 6 participate in the labor force in AK.²

COVID-19 Poses a New Threat to the Child Care Sector



Capacity is declining in AK³

49% of child care slots could be lost. Pre-pandemic in AK there were 3.6 children for every available slot. With COVID closures that number could go as high as 7.1.



Provider costs are increasing in AK⁴

Center-based providers' costs are estimated to increase by **37%**. Family-based providers' costs are estimated to increase by **76%**.

The Child Care Sector Was Struggling Prior to COVID-19

Child care workers struggled to make ends meet

8% of child care workers in AK lived in poverty.⁵



Child care is hard to find for many families

61% of people in AK were living in a child care desert.⁹

Costs of providing care were high⁶

\$1,360/month for center-based infant care
\$1,220/month for center-based toddler care
\$700/month for family-based care

Subsidies were insufficient⁷



Monthly gap between subsidy and cost to provider, per child⁸

\$505

Child care is hard to afford

A minimum wage worker in AK spends **57%** of their earnings on child care, on average.¹⁰



Child Care is Important to the Economy

Yet only **8%** of low-income eligible families in AK receive federal subsidies.¹¹

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Endnotes

- 1 U.S. Census Bureau. American Community Survey: 2019 (1-Year Estimate).
- 2 U.S. Census Bureau. IPUMS microdata, American Community Survey: 2014-2018 (5-year Estimate).
- 3 Workman, Simon, and Steven Jessen-Howard. "Coronavirus Pandemic Could Lead to Permanent Loss of Nearly 4.5 Million Child Care Slots." Center for American Progress, April 24, 2020. <https://www.americanprogress.org/issues/early-childhood/news/2020/04/24/483817/coronavirus-pandemic-lead-permanent-loss-nearly-4-5-million-child-care-slots/>
- 4 Workman, Simon, and Steven Jessen-Howard. "The True Cost of Providing Safe Child Care During the Coronavirus Pandemic." Center for American Progress, September 3, 2020. <https://www.americanprogress.org/issues/early-childhood/reports/2020/09/03/489900/true-cost-providing-safe-child-care-coronavirus-pandemic/>
- 5 U.S. Census Bureau. IPUMS microdata, American Community Survey: 2014-2018 (5-year Estimate).
- 6 Workman, Simon and Steven Jessen-Howard. "Understanding the True Cost of Child Care for Infants and Toddlers." Center for American Progress, November 15, 2018. <https://www.americanprogress.org/issues/early-childhood/reports/2018/11/15/460970/understanding-true-cost-child-care-infants-toddlers/>
- 7 Workman, Simon. "Where Does Your Child Care Dollar Go?" Center for American Progress, February 14, 2018. <https://www.americanprogress.org/issues/early-childhood/reports/2018/02/14/446330/child-care-dollar-go/>
- 8 Based on state subsidy for infant center-based providers. Workman, Simon and Steven Jessen-Howard. "Understanding the True Cost of Child Care for Infants and Toddlers." Center for American Progress, November 15, 2018. <https://www.americanprogress.org/issues/early-childhood/reports/2018/11/15/460970/understanding-true-cost-child-care-infants-toddlers/>
- 9 "Do You Live in a Child Care Desert?" Center for American Progress, 2018. <https://childcaredeserts.org/2018/index.html>
- 10 "Child Care Costs in the United States." Economic Policy Institute, October 2020. <https://www.epi.org/child-care-costs-in-the-united-states/#/>
- 11 Estimated percentage of eligible families receiving subsidies through the Federal Child Care and Development Block Grant based on state eligibility parameters. Ullrich, Rebecca, Stephanie Schmit, and Ruth Cosse. "Inequitable Access to Child Care Subsidies." The Center for Law and Social Policy (CLASP), April 2019. https://www.clasp.org/sites/default/files/publications/2019/04/2019_inequitableaccess.pdf

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Acknowledgment Thanks to Brooke Ada Tran for research assistance, Laurel Gourd for editorial guidance, and the SF Fed Creative Team for graphic design.

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