



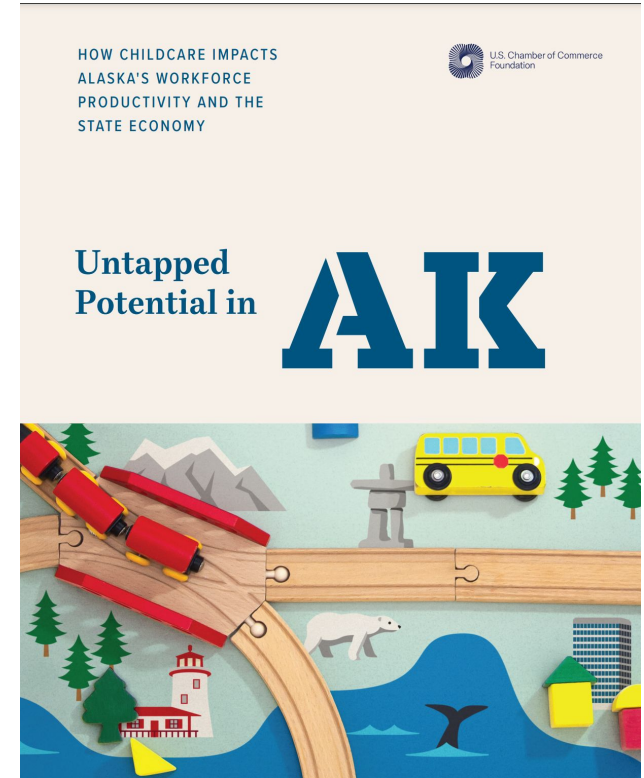
Economics of Child Care in Alaska

Nolan Klouda

February 13, 2023

Child care gap has economic costs

- 77% of parents reported **missing work** due to child care issues in past 3 months
- Costs Alaska's economy **\$165M each year** from turnover, absences, and lost tax revenues
- Major cost to workforce participation, especially for women



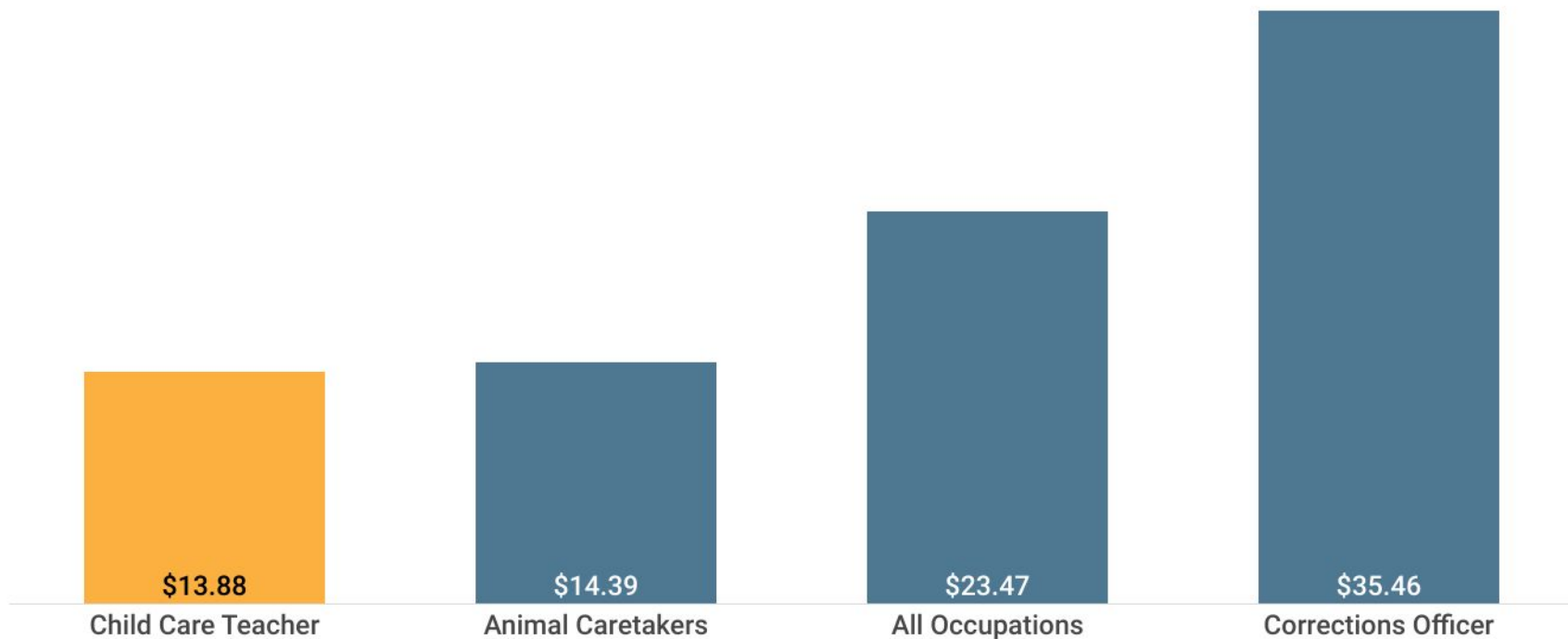
Survey of Child Care Providers

- 75% of Alaska providers report staffing shortages
- 88.5% say burnout/exhaustion contributing to staffing shortages
- 55.4% say their programs will have to cut wages or be unable to sustain wage/salary increases when stabilization grants end (likely 2023)

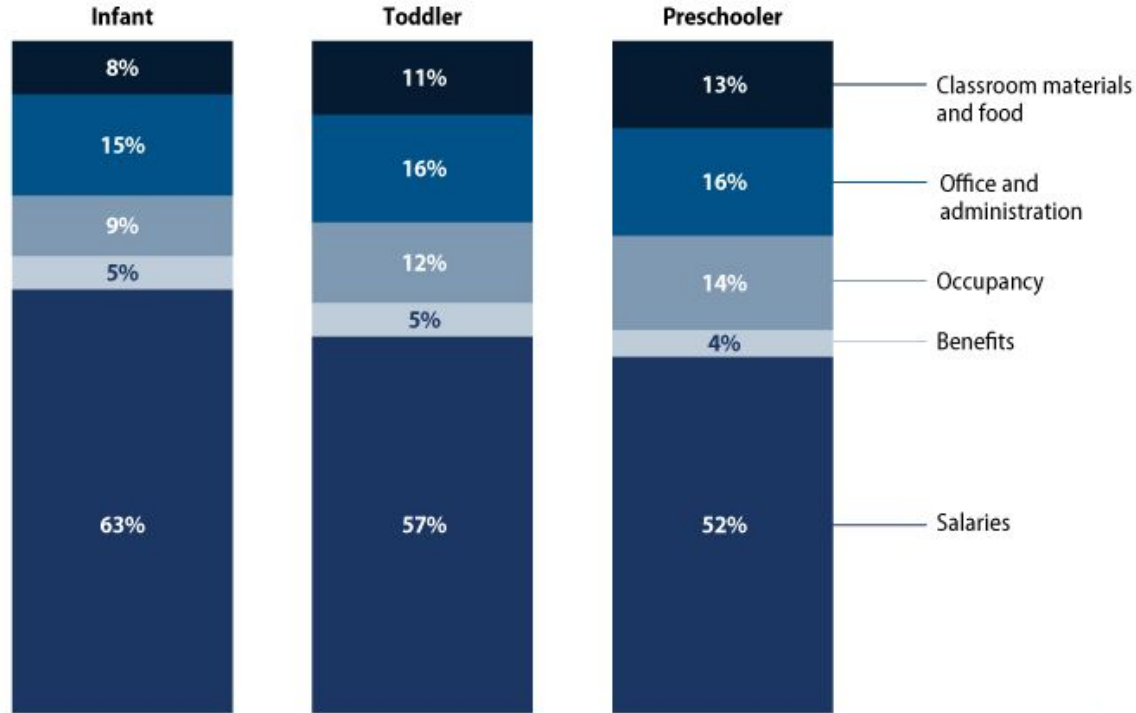
Source: National Association for the Education of Young Children (NAEYC) December 2022

Hourly pay compared

Median hourly pay by occupation in Alaska in 2021



How can costs be high but wages so low?



Source: Workman, 2018

“...adequately compensating a highly qualified workforce **is a mathematical impossibility** when public funding is limited and parents cannot afford to pay higher tuition rates.”

Thank You!

For more information, visit:
<https://ua-ced.org>