

Child Care and the Economy in Louisiana

The Kathleen Babineaux Blanco Public Policy Center, in partnership with the Louisiana Policy Institute for Children, developed this summary of *Child Care and the Economy in Louisiana* (the full version can be found [here](#)).

Research clearly demonstrates the importance and benefits of providing young children with access to high-quality early care and education. Child care also plays a critical role in the Louisiana economy with broad immediate impacts for employees and employers. Child care instability leads to costly parental absences for businesses and causes larger economic losses statewide. Lack of access to high-quality early care and education has amplified these economic costs during the COVID-19 pandemic. Increasing access to high-quality early care and education will benefit Louisiana families, employers, and economy.

Lack of Access to Reliable, Quality Child Care Hurts Louisiana

- Child care breakdowns cost Louisiana businesses **\$762 million** a year from missed work, turnovers, and other related costs.

Category	Annual Loss
Absences	\$577 million
Turnover	\$64 million
Other costs	\$121 million
Total	\$762 million

- This loss translates to a **\$1.3 billion annual loss** to the Louisiana economy.

Low Wages for Child Care Workforce Contribute to High Turnover

- Wages for child care workers in Louisiana average **\$9.77 per hour**, lower than the national average (\$12.27) and the Southern states average (\$10.97).
- Louisiana child care businesses **struggle to find and retain talent**.
- Child care workers tend to **turn over quickly** and **leave the profession early**, which negatively impacts the **quality of care** available to young children.

COVID-19 Pandemic Highlighted the Crucial Nature of Child Care

- Parents **need access to quality child care** to work.
- The loss of full-time child care is associated with **employment disruptions**, including a **higher rate of unemployment** among mothers.
- The pandemic created **additional financial hardships** for child care businesses.