



A Stronger Louisiana Starts with Successful Children

# BALANCING ACT:

## The Financial Challenges of Child Care Facing Louisiana's Working Families



**Findings from a Survey of Louisiana Working Families Eligible for Child Care Assistance**

PREPARED BY THE LOUISIANA POLICY INSTITUTE FOR CHILDREN

# Balancing Act: The Financial Challenges of Child Care Facing Louisiana's Working Families

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# OVERVIEW

The research is clear: children benefit academically and socially from quality, reliable early care and education (ECE) programs. With increasing employment rates for parents, family demand for these programs is also on the rise.

Unfortunately, so is the cost.<sup>i, ii, iii</sup> Over the last two decades alone, the cost of center-based child care has increased by over 70%.<sup>iv</sup> In Louisiana, the cost of child care is nearly that of tuition at a four-year public university.<sup>v</sup> However, unlike for college, parents have not had 18 years to save, so affording quality, reliable child care can be an even greater financial challenge.

In Louisiana, where two-thirds of children age five and under have both parents, or their single parent, in the workforce, working families rely on ECE programs to support parent employment and child development.<sup>vi</sup> Parents experiencing challenges with child care frequently must take time away from work, or even exit the workforce entirely, costing Louisiana employers \$816 million annually and the state almost \$84 million in tax revenue.<sup>vii</sup> For working parents earning hourly wages, absences can cause a loss in pay, and income loss of any kind among working parents affects the rest of the economy through decreased spending at local businesses, lower hiring rates, and reduced need for goods, resulting in a \$1.1 billion loss to the Louisiana economy.<sup>viii</sup>

Of the estimated 211,000 children in need birth through age four in the state, only about 60,000, or 28%, have access to quality, reliable early care and education through publicly funded seats.<sup>ix</sup> For children ages three and under, access rates are even lower at 15%, largely due to the few options available to assist working families with the high cost of care. One option for parents who are working, in school, or in job training is the Child Care Assistance Program (CCAP), the only state-administered ECE program serving children under age four. However, over the last decade, CCAP has seen its funding substantially cut, reducing the number of children served from almost 40,000 to under 17,000 today.<sup>x, xi</sup>

To better understand the experiences of these working families eligible for, but not yet able to obtain, child care assistance due to the lack of funding of the program, the Louisiana Policy Institute for Children (LPIC) and Louisiana Department of Education partnered to conduct a survey of these working families. The survey asked families about the impact that not yet receiving child care assistance has had on parent employment, education, or job training; affordability, availability, reliability, and quality of the child care they are accessing; stress related to finding child care; and household budget and expenses.

**Results from the survey show the significant challenges facing working families who must balance the care and education of their children with their other basic needs:**

**Nearly half of working parents** reported experiencing a change in employment or education without child care assistance, including reducing work hours or quitting a job or education program altogether.

**90% of respondents** worry about finding child care without child care assistance.

**2 in 3 respondents** are borrowing money to pay for child care.

**Over half of respondents** are also sacrificing basic household necessities, such as food, clothing, and utilities, to cover the costs of child care.

**Almost 80% of respondents** struggle to find quality, affordable child care without child care assistance.

**Over 60% of respondents** choose their child care based on affordability.



# SURVEY RESULTS

## Accessibility to Affordable Child Care Options Impacts Parent Employment and Education

Without child care assistance, almost half of working parents in need of early care and education for their children reported experiencing a change in employment or school enrollment. The most common changes survey respondents experienced were changing work hours (19%) and reducing or cutting work hours (16%) due to lack of available public funding.

**Table 1**

### Survey Respondents Experience Changes in Employment, Education without Child Care Assistance

Response	% of Respondents
Experienced any change to job or education plans	48%
Had to change my work hours	19%
Had to cut/reduce my work hours	16%
Had to increase my work hours	9%
Had to quit my job	7%
Had to change my job	6%
Had to take on an additional job/work	5%
Had to turn down a promotion	5%
Had to quit school/training	4%
Was fired/let go from my job	3%
Had to cut/reduce school/training hours	3%
No changes in my job or education plans	48%
Other	8%

Question: Because you were put on the Child Care Assistance Program waiting list and could not get help to pay for child care, have you had any changes in your job or education plans? Check all that apply.

Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

**"Women need child care assistance so they can work, [b]ut child care is more expensive than my mortgage payment."**

*-Survey Respondent*

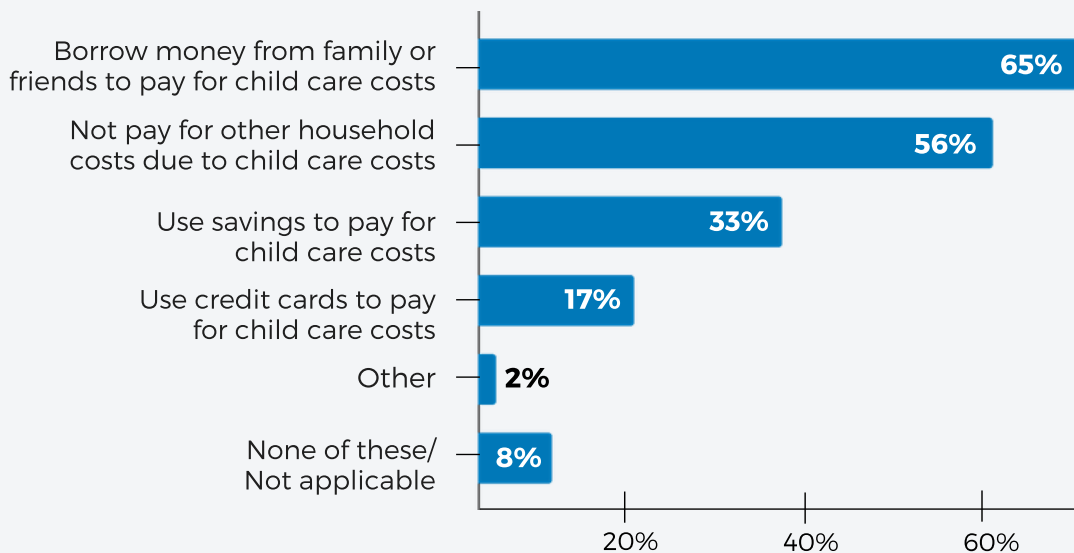


# SURVEY RESULTS

## Working Families Borrow Money, Forgo Basic Needs to Afford Child Care

While all survey respondents are in the workforce or enrolled in an education program, 90% of these working parents also said they are not able to afford child care while waiting for child care assistance. To cover child care costs, over half of survey respondents are borrowing money from family and friends (65%) and/or not paying for other essential household expenses (56%). For these working families forgoing other essential household expenses to afford child care, most spend less on clothing, food, and utilities.

**Figure 2**  
Without Child Care Assistance, Two-Thirds of Working Families Borrow Money to Pay Child Care Costs

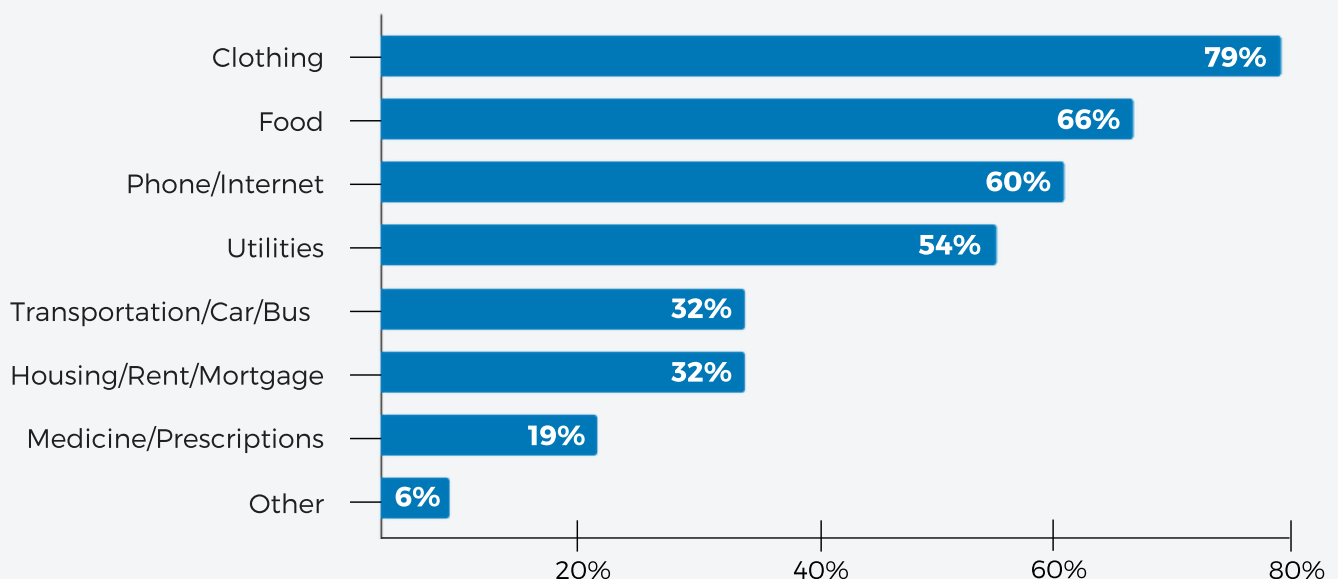


Question: Have you had to do any of the following to pay for child care costs while on the waiting list? Check all that apply.

Note: Respondents may have selected more than one response. Note: Percentages may total to more than 100%.



**Figure 3**  
Over Half of Survey Respondents Spend Less on Basic Household Necessities to Afford Child Care



Question: (If answered "Not pay for other household costs due to child care costs" in previous question) What other household costs do you spend less on due to child care costs while on the waiting list? Check all that apply.

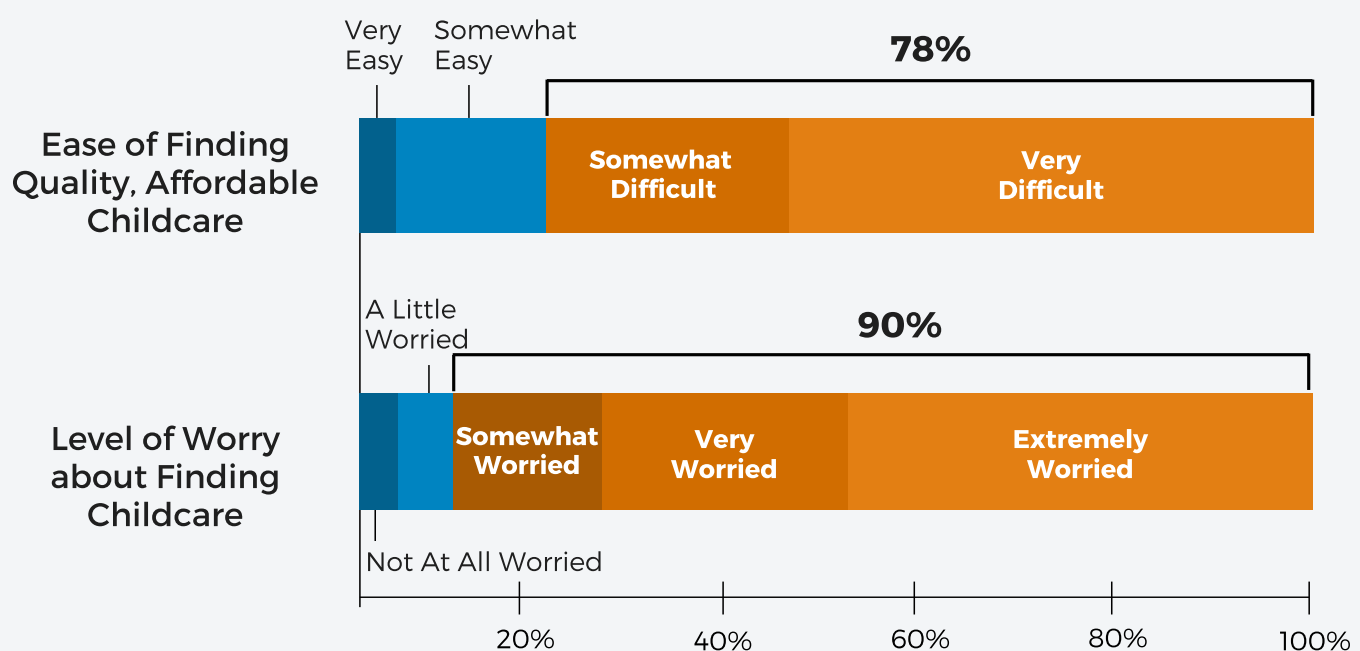
Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

# SURVEY RESULTS

## Finding Quality, Affordable Child Care Is Challenging and Stressful

For these working parents in need of early care and education for their children while they work or attend classes, finding quality, affordable options without child care assistance is difficult and a source of worry. Almost 80% of survey respondents found it somewhat or very difficult to find quality, affordable child care without child care assistance. And 90% of these working caregivers are somewhat, very, or extremely worried about child care while waiting for child care assistance.

**Figure 4**  
**Working Families without Child Care Assistance Experience Difficulty and Worry**



Questions: Has it been easy or difficult to find quality, affordable child care that is convenient for your family while on the waiting list? How much do you worry about child care while on the waiting list? Please rate on a scale from 1 (not at all worried) to 5 (extremely worried).

**“This has been really hard...[n]ot knowing if I will be able to pay my rent, knowing I need to make child care payments in order to keep my job.”**

*-Survey Respondent*



# SURVEY RESULTS

## Cost Drives Child Care Decisions

With working families' concerns and worry related to finding quality, affordable child care, the main factor driving their ultimate child care decisions is, perhaps not surprisingly, cost. Nearly two-thirds of survey respondents select their child care arrangements because of affordability, and almost half consider availability of care. Reliability, location, and quality are also factors influencing families' decisions about child care, although not as prominent.

**Table 5:**  
Reasons Influencing Current Child Care Arrangements of Survey Respondents

Response	% of Respondents
Cost/Affordability	66%
Hours/Availability	47%
Reliability	38%
Location	29%
Quality	20%
Other	5%

Question: What are the main reasons for using your current child care arrangement(s) while on the waiting list? Check all that apply.

Note: Respondents may have selected more than one response. Percentages may total to more than 100%.



**“If I had taken [my children] out [of child care], I wouldn’t have been able to work, and I would have lost everything.”**

*-Survey Respondent*

- <sup>i</sup> Bureau of Labor Statistics (2018). *Current Population Survey*. Retrieved online at: [https://www.dol.gov/wb/stats/mother\\_families-text.htm](https://www.dol.gov/wb/stats/mother_families-text.htm)
- <sup>ii</sup> National Center for Education Statistics. (2018). *Enrollment of 3-, 4-, and 5-Year-Old Children in Preprimary Programs*. Retrieved online from: [https://nces.ed.gov/programs/digest/d18/tables/dt18\\_202.10.asp](https://nces.ed.gov/programs/digest/d18/tables/dt18_202.10.asp)
- <sup>iii</sup> U.S. Department of Health and Human Services. (2014). *Trends in the Use of Early Care and Education, 1995-2011*. Retrieved online at: [https://aspe.hhs.gov/system/files/pdf/76831/rb\\_ece.pdf](https://aspe.hhs.gov/system/files/pdf/76831/rb_ece.pdf)
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- <sup>viii</sup> Louisiana Policy Institute for Children. (2017). *Losing Ground: How Child Care Impacts Louisiana's Workforce Productivity and the State Economy*. Retrieved online at: [https://0cd902dd-9de1-4dae-8781-4a355ebda8df.filesusr.com/ugd/20d35d\\_476f91BQZKqdp2CV3QV5nUEsqSg1ygegLmqRygj.pdf](https://0cd902dd-9de1-4dae-8781-4a355ebda8df.filesusr.com/ugd/20d35d_476f91BQZKqdp2CV3QV5nUEsqSg1ygegLmqRygj.pdf)
- <sup>ix</sup> Louisiana Department of Education. (2020) *Early Childhood Care and Education 2019 Annual Report*. Retrieved online at: [https://www.louisianabelieves.com/docs/default-source/early-childhood/ecce-ac---2020-presentation-slides---02-14-20.pdf?sfvrsn=29b19b1f\\_4](https://www.louisianabelieves.com/docs/default-source/early-childhood/ecce-ac---2020-presentation-slides---02-14-20.pdf?sfvrsn=29b19b1f_4)
- <sup>x</sup> Louisiana Department of Children and Family Services. *Child Care Statistics*. Retrieved online at: [http://www.dcfsls.la.gov/assets/docs/searchable/OFS/Statistics/Stats07-08/CCAP/fy0708\\_CCAP\\_Totals\\_F.pdf](http://www.dcfsls.la.gov/assets/docs/searchable/OFS/Statistics/Stats07-08/CCAP/fy0708_CCAP_Totals_F.pdf)
- <sup>xi</sup> Louisiana Department of Education. *2019 Child Care Program Statistics*. Retrieved online at: <https://www.louisianabelieves.com/early-childhood/child-care-assistance-program>



# APPENDIX

## Survey Methodology

For the project, LPIC developed and administered the survey online through Survey Monkey from September 16, 2019, through October 20, 2019. Prior to administration of the survey, questions were reviewed by the Louisiana Department of Education and experts in early care and education, as well as tested with a small group of parents. Further, LPIC submitted the survey administration process, questions, and communication materials to an institutional review board for review and approval prior to administering the survey.

Prospective respondents were selected from the list of families on the Child Care Assistance Program (CCAP) waiting list in September 2019. Families on the CCAP waiting list have qualified for, but are not yet receiving, child care assistance. To qualify for CCAP, parents must be working, in school, or in job training, and low-income. In September 2019, there were 2,554 children in 1,635 families in Louisiana on the CCAP waiting list. All families with a current address received a letter from the Louisiana Department of Education, mailed on September 13, 2019, informing them about the voluntary survey. Families who provided a cell phone number to the Louisiana Department of Education when applying for CCAP also received up to three text message reminders about the survey during the survey window. All text messages were sent at 11am Central Time. After the first text message, some provided phone numbers were identified as non-cell phone numbers and removed from subsequent texts. Another seven phone numbers unsubscribed from future text messages during the survey window.

Of the 1,635 families on the CCAP waiting list in September 2019, 287 responded to the survey, answering some or all of the survey questions. For questions where some survey respondents did not provide an answer, the included results percentages reflect calculations based only on the number of survey respondents providing an answer to the question. For example, if only 100 survey respondents answered a question, the results would reflect what percentage of those 100 respondents selected each answer. Note, this calculation methodology does not apply to demographic questions.

## Characteristics of Survey Respondents

Demographics for the survey respondents were similar to those of the larger group of prospective respondents (all families on the CCAP waiting list in September 2019) for race/ethnicity, parish of residence, number of children in the household, and age of children in the household (see Tables A1 through A4). Additionally, information about survey respondents' participation in the workforce and/or an education program, as well as the types of child care arrangements they use, is included (Figures A5 and A6).

**Table A1**

**Race/Ethnicity of Survey Respondents Compared to Entire Waiting List**

Race/Ethnicity	% of Respondents	CCAP Waiting List (Sept. 2019)
American Indian/Native American/Alaska Native	1%	0.4%
Black/African American	45%	72%
Hispanic/Latino	1%	--
Multiracial	3%	5%
Other	0.3%	--
White	18%	22%
Not Provided	31%	--

# APPENDIX

## Characteristics of Survey Respondents (continued)

**Table A2**

### Top 10 Parishes of Survey Respondents Compared to Entire Waiting List

Parish Name	% of Respondents	CCAP Waiting List (Sept. 2019)
East Baton Rouge	13%	10%
Jefferson	12%	10%
Lafayette	8%	5%
Orleans	8%	10%
Caddo	5%	7%
Ouachita	5%	3%
Tangipahoa	4%	3%
St. Tammany	4%	2%
St. Landry	3%	2%
Calcasieu	2%	3%

**Table A3**

### Children in Household of Survey Respondents Compared to Entire Waiting List

Number of Children in Household	% of Respondents	CCAP Waiting List (Sept. 2019)
One	52%	55%
Two	33%	37%
Three	10%	3%
Four	1%	3%
Five	0.7%	0.2%
Six	0.3%	0.2%
Not Provided	3%	--

**Table A4**

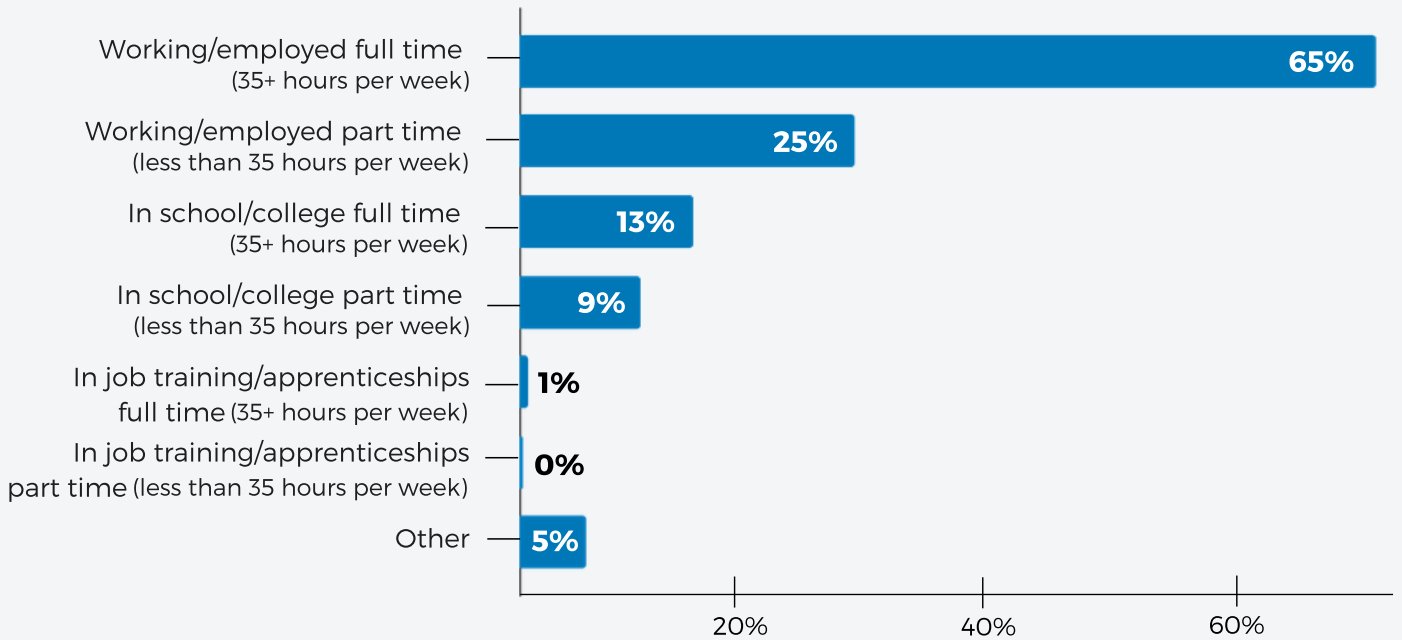
### Ages of Children in Household of Survey Respondents Compared to Entire Waiting List

Age of Children in Household	% of Respondents	CCAP Waiting List (Sept. 2019)
1 year or less	12%	9%
2 years	23%	28%
3 years	22%	30%
4 years	9%	18%
5 years	9%	9%
6 years	5%	4%
7 years	5%	2%
8 - 12 years	8%	--
13 years or older	2%	--
Not Provided	5%	--

## Characteristics of Survey Respondents (continued)

**Figure A5**

### Workforce Participation and School Enrollment of Survey Respondents

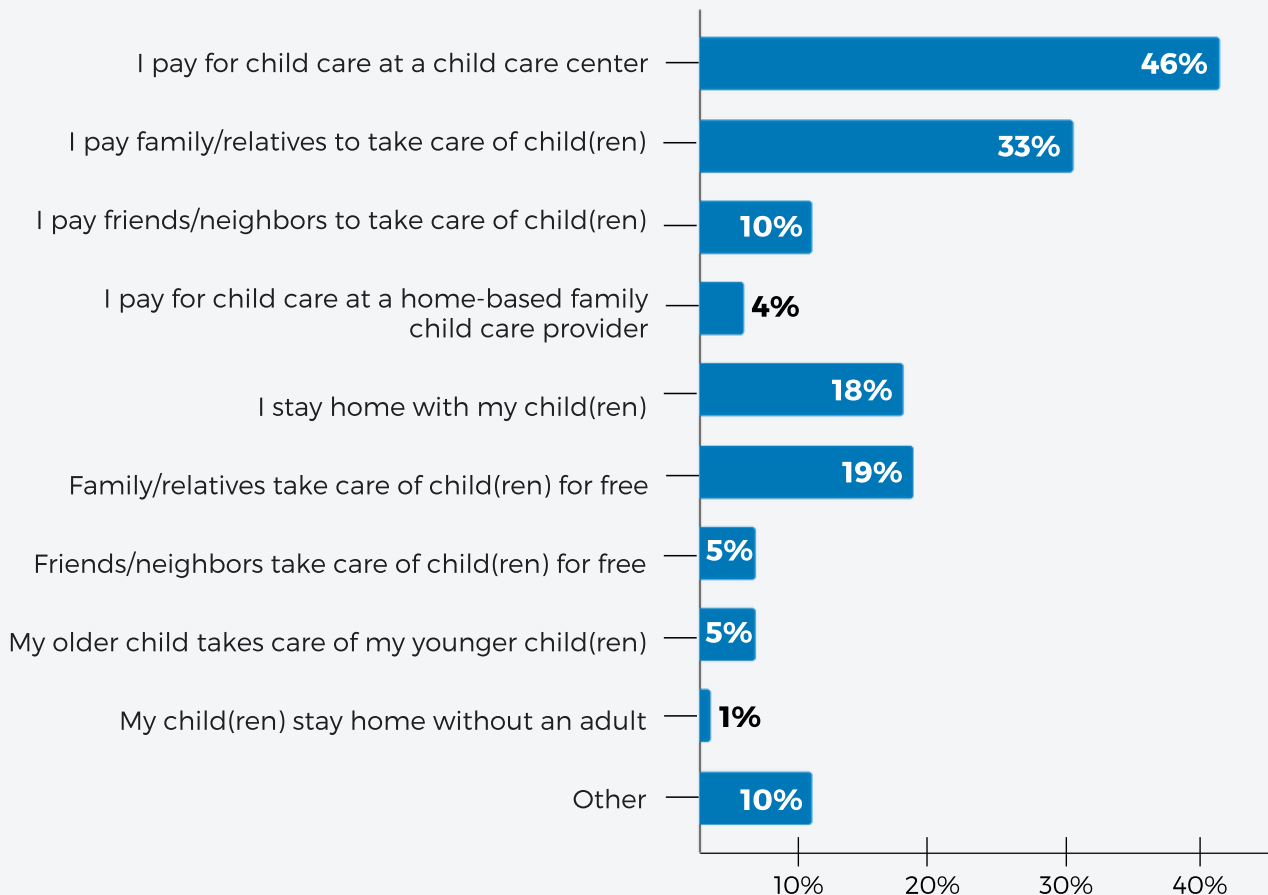


Question: Are you currently working and/or in school or job training? Check all that apply.

Note: Respondents may have selected more than one response. Percentages may total to more than 100%.

**Figure A6**

### Child Care Arrangements of Survey Respondents



Question: What do you do for child care while on the waiting list? Check all that apply.

Note: Respondents may have selected more than one response. Percentages may total to more than 100%.



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