



The True Cost of Child Care: Erie County NY

Phase Two Snapshot

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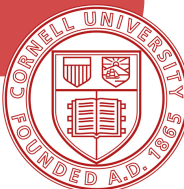
ILR Buffalo Co-Lab

PROBLEMS

IN ERIE COUNTY, THE FACTS ARE:

- Current employment in child care is 80% of what it was in 2018, down to 3,266 jobs from 3,897.
- Licensed providers can serve less than one in three children living in households where all adults are working.
- Child care workers earn less than half the median wages of all other workers, and, across NYS, the median wages in child care are below the state's minimum wage.
- 80% of all child care professionals earn below the living wage, compared to 45% of all other workers.
- Average hourly pay is \$10.27 (due to unreported overtime) But, average hourly pay in East Buffalo is \$8.22 per hour, only 31% of the living wage.
- Average annual wages of child care workers are \$23,972.
- 31% of child care workers rely on Medicaid; 19% are eligible for public assistance income; and 18% receive SNAP benefits.
- 88% of child care workers are women and 29% people of color.

- **Today's sad reality is inequitable and unsustainable.**
The U.S. child care system sits on a historical foundation of unpaid labor—the labor of enslaved people, indentured servants, nannies, undocumented workers, and women restricted to domestic work by law or tradition. To this day, child care workers, like other domestic and care-giving service workers, are very disproportionately people of color and overwhelmingly women.
- **It's not by chance that those are the lowest paid occupations in the country.**
It's also not acceptable that those occupations, many requiring professional qualifications, are the lowest paid occupations in the country.
- **Tomorrow's progress requires a public determination to create a system worthy of our children's future.**



PROGRESS

SUBSIDY INCREASES BEGIN TO CLOSE GAPS

- This table compares the 2022 subsidy increases with the gaps between 2021 subsidy rates and actual costs and actual costs plus living wages, as reported in Phase One of True Cost of Child Care’s preliminary findings of survey and economic research.

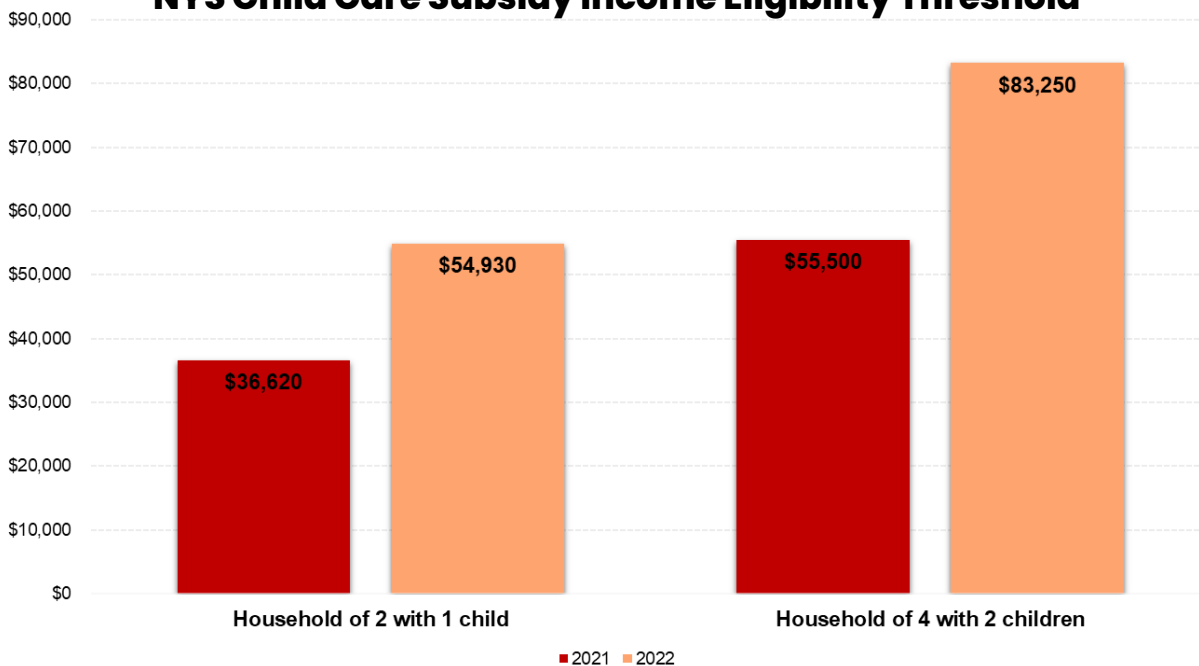
NYS Child Care Market Subsidy Rate Increases for 2022

Provider Type	2021 Weekly Gap with actual costs	2022 Weekly Increase (average)	Remaining Gap for Living Wages
DCC & SACC	\$53	\$55	\$86
FDC & GFDC	\$107	\$91	\$149

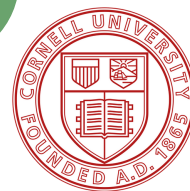
EXPANDED ELIGIBILITY HELPS MORE FAMILIES

- Annual household income for eligibility for subsidy increased from 200% to 300% of the federal poverty level.

NYS Child Care Subsidy Income Eligibility Threshold



→ **Child Care is Everyone's Business**



PROMISING

STEPS FORWARD

COLLABORATION

- Enhance collaboration & support for professional child care training.
- Connect the child care initiative with Erie County's Benefits Cliff Initiative.
- Work closely with NYS Child Care Availability Task Force, Empire State Campaign for Child Care & other statewide & national advocacy efforts.
- Expand collaboration with employers & unions for building more equitable sustainable child care.

INNOVATION

- Create pooled insurance fund and other group benefit funds.
- Support the co-op model of enterprise development.
- Expand mental health services for providers & children in their care.
- Improve public data, information & technology within the child care system.
- Update public administration processes & information technology for providers & parents.
- Reform fee requirements for individual child care workers to level the playing field with multi-site providers.
- Continue the study of the child care workforce and industry to better understand strengths and weaknesses and to assess the effectiveness of policy changes and other innovations.

FUNDING

- Magnify support for federal policy reform with transformative funding increases.
- Develop multiple sources for direct funding for increased wages.
- Increase funding of supportive agencies to the child care field.

→ **Erie County has the potential to serve as a laboratory** for innovative solutions at the local level, to provide leadership to the movement for state and federal funding necessary to achieve universal child care as a public good.

→ **Child Care is Everyone's Business**
Grow this network of diverse stakeholders in the child care system, pursuing expanded mutual interest action among child care professionals, employers, unions, public officials, community leaders, educators, parents—all of whom have ample reason to care about the future of early care & education of our children.

