

## Child Care

***Vermont Works for Women (VWW) supports women to find employment that best meets their needs. With our employment and career services, our staff coach clients to find work, advance in their careers, manage their finances, and overcome systemic barriers, such as a lack of transportation or affordable child care, to become economically independent. In 2020, VWW served 100 women in the community. Please contact VWW for testimony, participant stories, or shared expertise in any related matters.***

With women providing the majority of unpaid and paid caregiving, a lack of employment supports for working families - namely paid family leave and an affordable, accessible child care system - disproportionately impacts women's economic independence. Women should not have to choose between caring for their families and keeping their jobs.

### **VWW calls on the State to pass universal paid family and medical leave, as laid out by the Vermont Family and Medical Leave Insurance Coalition (VT FaMLI).**

Providing workers with paid family and medical leave ensures they are able to take extended leave, with pay, to care for a new child, recover from a serious illness or care for an ill family member, and then return to their jobs afterward.

Currently, women, especially women of color, are disproportionately impacted by the lack of a universal policy. They are both more likely to have jobs – part-time, low-wage, in the hospitality/service industry, etc. – that do not offer this benefit, and more apt to provide the unpaid caregiving.

Without paid leave, working families are forced to decide between employment and caregiving. “When making the decision as to who will look after kids or sick family members, it only makes economic sense for the higher-wage earner to go back to work or keep working... and in a dual-income household, more often than not, the higher-wage earner is a man,” reports The New York Times.

Spending time out of the workforce for caregiving responsibilities is a primary contributor to the gender pay gap, according to Change The Story's 2019 Report: *Women, Work and Wages in VT*. The cost of leaving the workforce for several years includes not just loss of wages, but loss of wage increases and contributions to retirement and social security.

Although taking time out of the labor force has significant short- and long-term consequences, it is often necessary in the absence of accessible and affordable care options.

#### **Passing a universal paid family and medical leave policy would:**

- Support employee retention
- Increase labor force participation, especially among women
- Raise women's long-term earnings
- Help close the gender pay gap

### **THE COST OF LEAVING THE WORKFORCE TO RAISE CHILDREN**

**Consider the example of a 35-year-old new mother who earns the equivalent of the state's median full-time wage for women (\$41,145). If she leaves the workforce for five years until her child enters kindergarten, she will lose an estimated \$433,000 in:**

- income (\$205,730)
- wage increases (\$112,563)
- retirement assets (\$114,298)

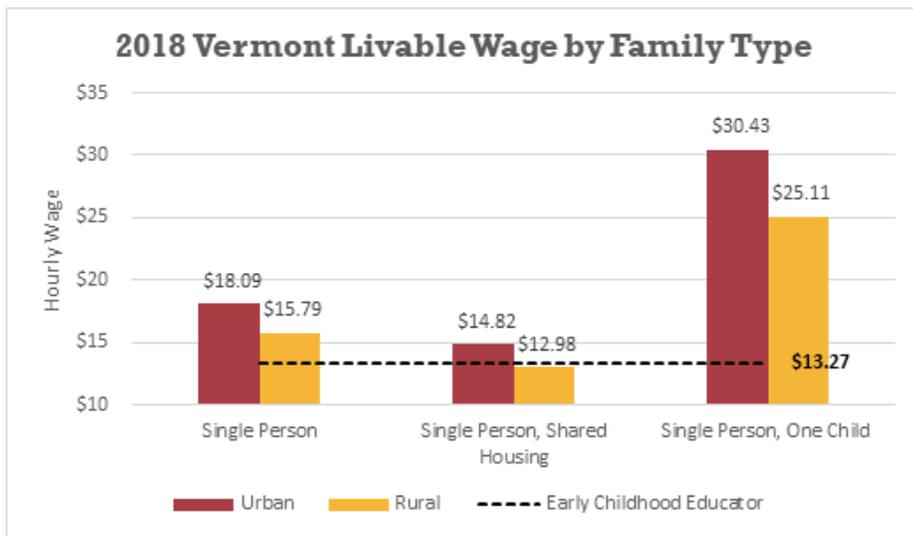
**- Change The Story 2019 Report**



**VWW supports the creation of a child care system that is accessible, affordable, high-quality and accountable, as laid out in Let's Grow Kids' policy agenda.**

The number of child care slots in Vermont does not cover the needs of working families. More than 70 percent of children under the age of 6 have all available parents in the labor force, according to the US Census Bureau, meaning they're likely to need some form of child care while a parent is working. If child care isn't available, parents are forced to make difficult decisions about work: flexing their schedules, reducing their hours or leaving the workforce altogether.

The strain on working families was heightened during the COVID-19 pandemic due to remote schooling and child care closures. According to recent Bureau of Labor Statistics data, 700,000 parents with children under 5 left the workforce in 2020, which includes parents who were laid off, but gave up trying to find work due to caregiving responsibilities, as well as parents who gave up their jobs because of child care issues. Approximately two-thirds of those parents were mothers.



Employers are now confronting truths that working women have long known: affordable, accessible child care is crucial for workforce retention.

**Child care is essential to our state's economic recovery from the pandemic. Vermont must increase the availability of child care to meet both current and future needs while also tackling the overlapping issues of affordability and quality.**

Let's Grow Kids states that some Vermont families spend more than 30 percent of their income on child care, even with financial assistance. The goal is to reduce this expenditure to no more than 10 percent of their income.

Let's Grow Kids also states the single most important indicator of quality in child care is qualified staff. In Vermont, there is an early childhood educator workforce crisis. **In 2018, the median hourly wage for early childhood educators in Vermont was \$13.27, amounting to less than \$30,000 a year. Parents can't afford to pay more for child care, but early childhood educators can't afford to work for less.** These low wages disproportionately impact women: about 95 percent of the child care industry is made up of women, 40 percent of them women of color.

VWW supports Let's Grow Kids' goal is for qualified early childhood educators to be fairly compensated, have access to benefits and have pathways to enter and advance in the field.



**Contact:**

**Alison Lamagna**

**Director of Programs and Gender Equity  
Vermont Works for Women**

alamagna@vtworksforwomen.org

802-655-8900 x 104

