



# Childcare as a Workforce Issue

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# Montana's Worker Shortage

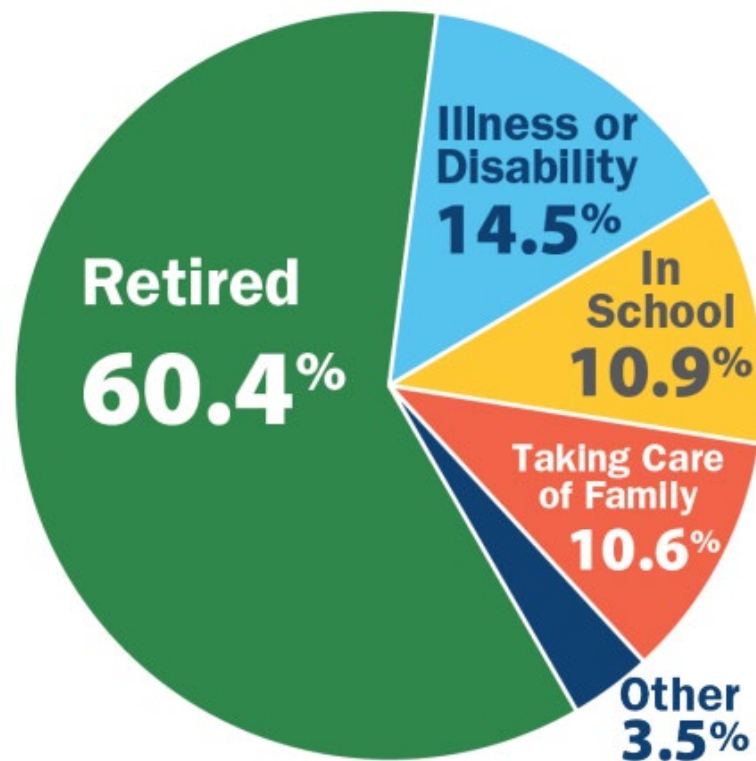
**3.4%**

unemployment rate is well below the normal rate.

**1/5<sup>th</sup>**

of the state workforce expected to retire in the next 10 years.

## Reasons for Not Being in the MT Labor Force

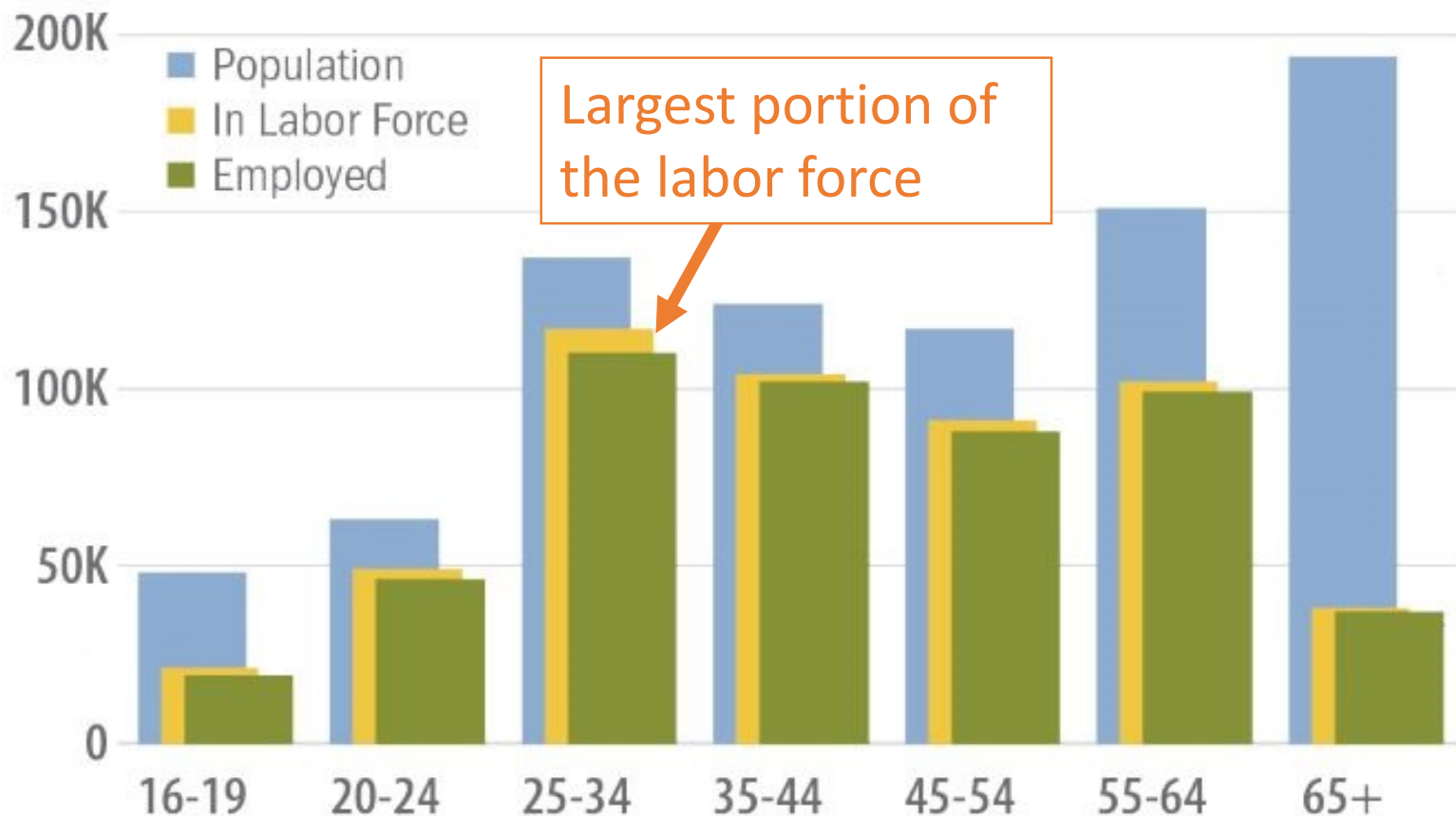


Source: MTDLI using 2018 CPS data through Data Ferret.



# Montana Workers by Age

*Our population is aging, but the workforce is getting younger.*





# Childcare by the Numbers

45,000

Children under five with working parents

20,000

Capacity at licensed childcare facilities

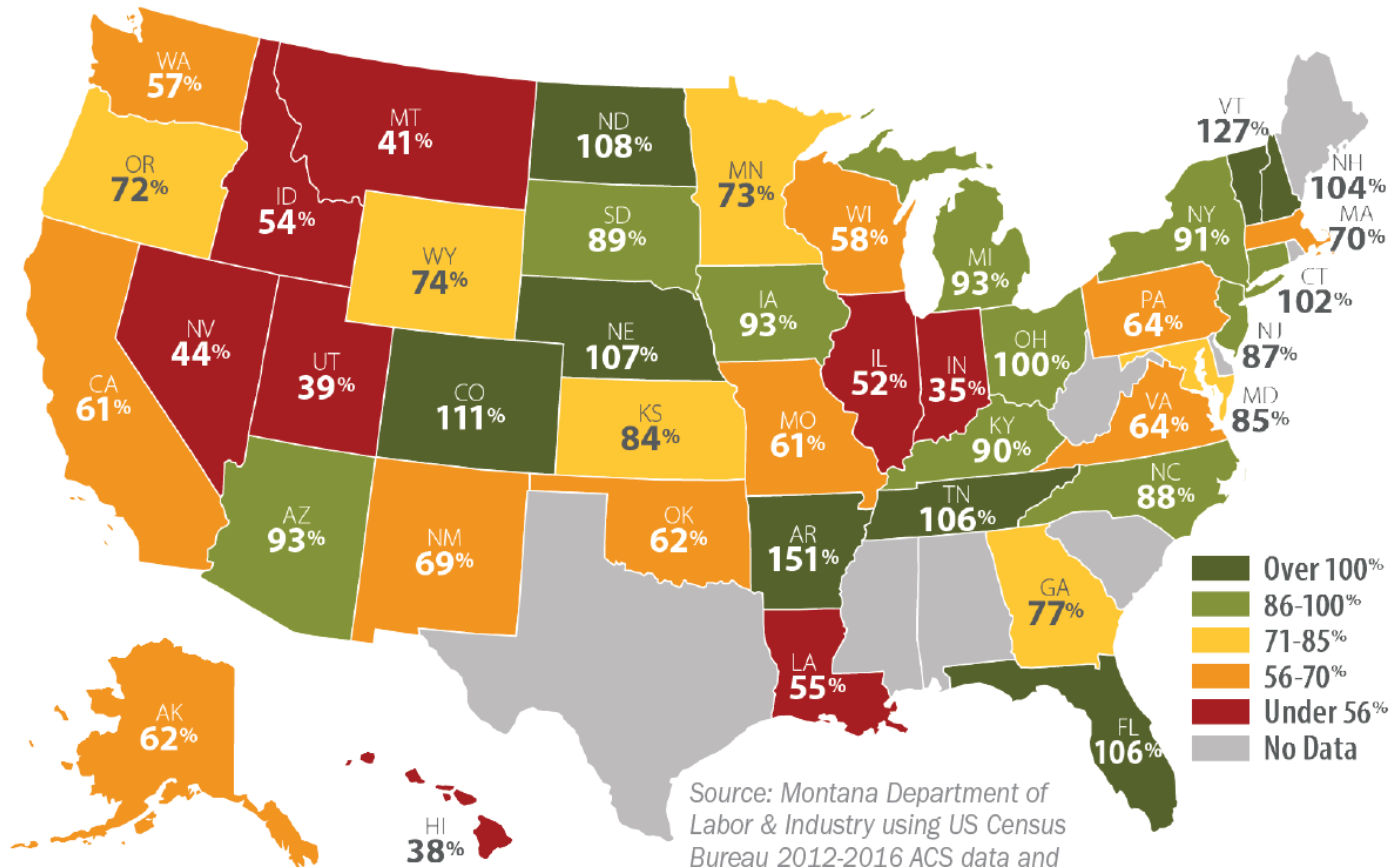
41%

Of demand met by current licensed capacity



# Capacity Less Than Half of Demand

*Montana ranks **40<sup>th</sup>** in terms of childcare availability.*

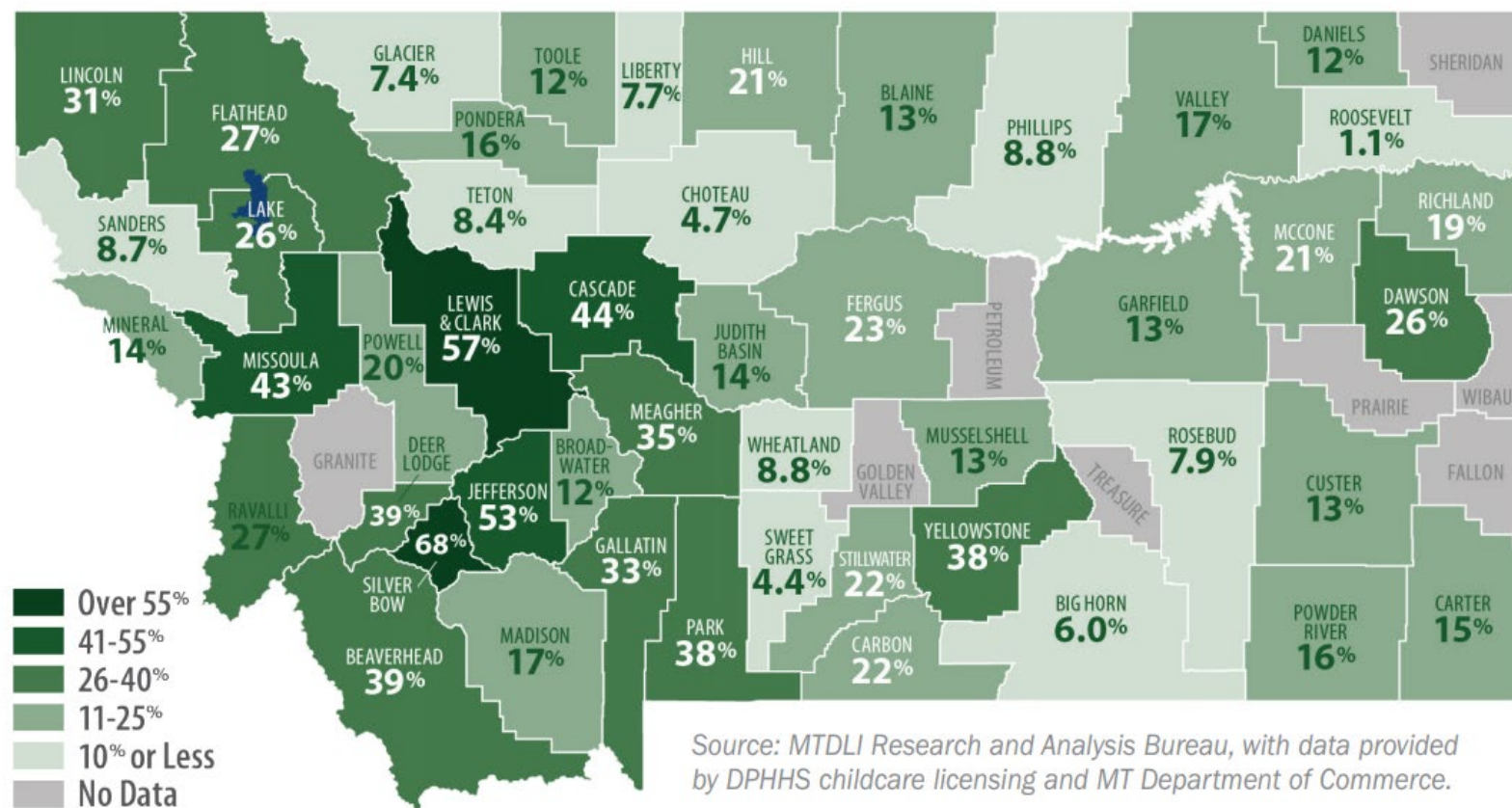






# Childcare Undersupply by County

*80% of counties are considered childcare deserts.*



Source: MTDLI Research and Analysis Bureau, with data provided by DPHHS childcare licensing and MT Department of Commerce.





# Limits to Childcare Expansion

## Workforce Shortage

*Childcare providers face the same problems as other businesses looking to expand – a lack of available workers.*



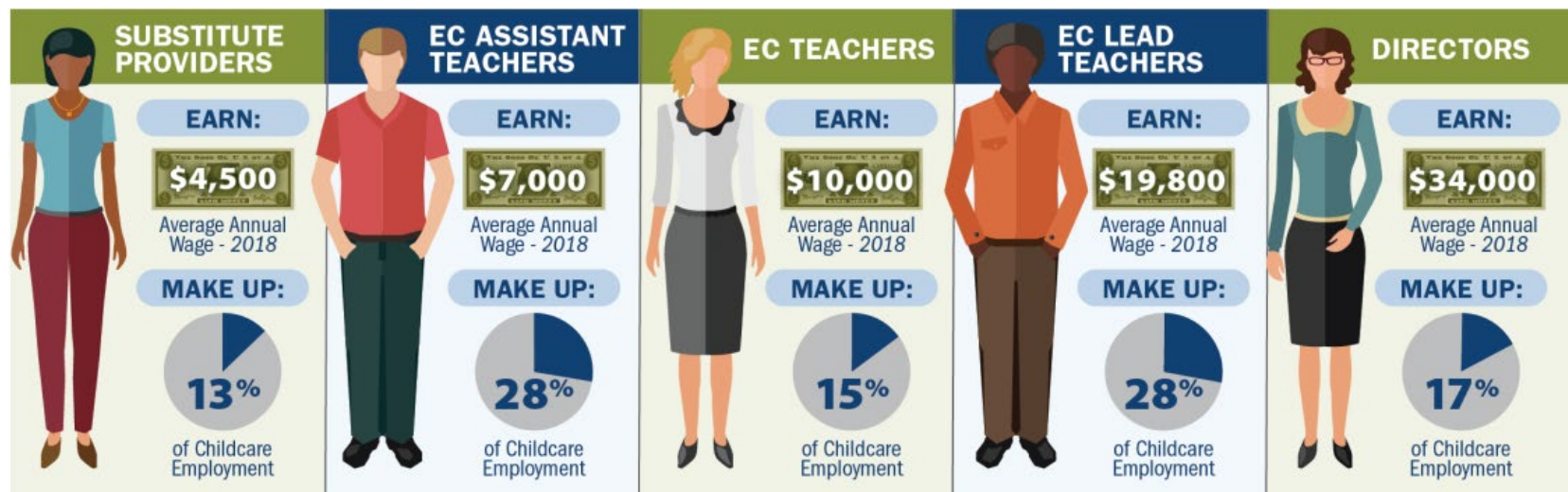
***Unmet childcare demand is both a **CAUSE** and an **EFFECT** of the state's workforce shortage.***





# Low Wages for Childcare Workers

Childcare workers earn about **\$9.84** per hour, which translates to about **\$20,460** a year when working full-time.



Source: DPHHS and MTDLI wage match for caregivers employed on 3/1/19. Wages and percent employed determined using 2018 UI admin wage data from MTDLI. Family home and FFN providers excluded due to lack of wage data.



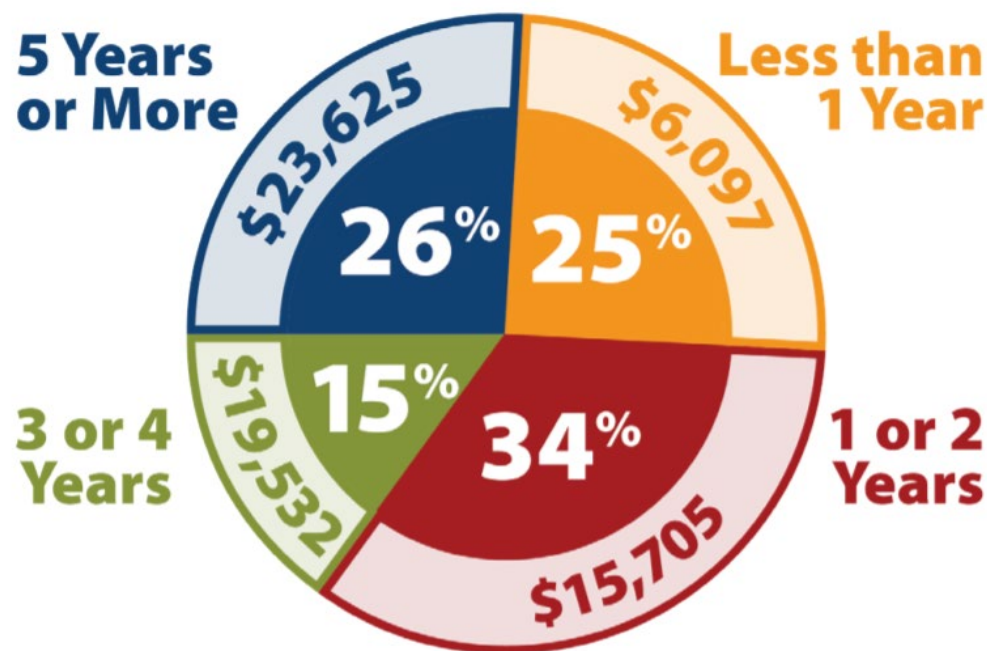


# Impacts on Childcare Wages

Wages grow with:

- Experience
- Professional Development
- Provider Size

## Childcare Workers by Experience



Source: MTDLI and DPHHS wage match, 3/1/19. Wages reported for 2018 calendar year.





# A Workforce Decision

## Parental Decision

Without access to high-quality affordable childcare, parents are faced with a decision....

**To work or to stay home?**

Many factors influence their decision:

- Wages and benefits
- Support systems
- Childcare availability
- Cost of care
- Personal preference





# Workforce Impacts in Montana

11%

Of people out of the labor force cite family responsibilities.

2,700

Montana's are not looking for work specifically due to a lack of childcare

Low labor force participation rates for mothers of young children



# Workforce Impacts for Mothers

*Childcare availability and labor force participation rates are positively correlated*





# Addressing the Workforce Shortage

## Improve productivity

- Technological advancements
- Human capital investments

## Increase the labor force

- In-migration
- **Attract more Montanans into the labor force**







# Addressing the Workforce Shortage

Recruitment and retention of young families  
in the workforce.

How do we engage with and support them?





# FAMILY FORWARD

MONTANA



Montana Department of  
**LABOR & INDUSTRY**



# Family Forward Policies and Practices

- **Tier I: Business/Organizational Practices**
  - Flexible Work Arrangements
  - Human Resources/Management
- **Tier II: Financial Assistance**
- **Tier III: Improving Access to Care**





# Highlighted Successful Communities

- **Missoula**

- Chamber of Commerce – needs assessment and community engagement

- **West Yellowstone**

- Little Rangers Learning Center – public funded

- **Livingston**

- Printing for Less – Onsite childcare



# More Information at [lmi.mt.gov](https://lmi.mt.gov)

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