Childcare as a Workforce Issue

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Montana’s Worker Shortage

3.4% unemployment rate is well below the normal rate.

1/5th of the state workforce expected to retire in the next 10 years.

Reasons for Not Being in the MT Labor Force

- Retired: 60.4%
- Illness or Disability: 14.5%
- In School: 10.9%
- Taking Care of Family: 10.6%
- Other: 3.5%

Source: MTDLI using 2018 CPS data through Data Ferret.
Montana Workers by Age

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

Source: U.S. Census, LAUS, MTDLI, and BLS
**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

Source: US Census Bureau 2017 ACS data, DPHHS CCUBS data as of 3/21/2019
Montana ranks 40th in terms of childcare availability.

80% of counties are considered childcare deserts.
Unmet childcare demand is both a cause and an effect of the state’s workforce shortage.

Childcare providers face the same problems as other businesses looking to expand — a lack of available 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

- 5 Years or More: $23,625 (26%)
- Less than 1 Year: $6,097 (25%)
- 3 or 4 Years: $19,532 (15%)
- 1 or 2 Years: $15,705 (34%)

Source: MTDLI and DPHHS wage match, 3/1/19. Wages reported for 2018 calendar year.
Many factors influence their decision:

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

To work or to stay home?
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

Source: Current Population Survey summarized in Data Ferret using twelvemonth period ending in August 2018
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 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

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