

Study: Child care issues cost Louisiana employers \$816M annually

By: Lance Traweek, Managing Editor May 5, 2017

A recent report cites severe economic costs to Louisiana employers and workers caused by child care instability in the state.

The study comes at a time when state lawmakers are mulling, for the eighth year in a row, a budget that decreases funding for quality early childcare and education.

The [report](#) by LSU's Public Policy Research Lab, the Louisiana Policy Institute for Children (LPIC) and Entergy and Loyola University New Orleans says that employee absences and turnover costs due to child care issues cost Louisiana employers \$816 million a year.

"The study was sobering, but it wasn't surprising," said LPIC Director Melanie Bronfin. "Our budget is our ultimate policy document. We have not prioritized working families, and we have not prioritized young children."

In addition, child care issues result in a \$1.1 billion loss each year for the state's economy, while losing almost \$84 million annually in tax revenue due to lost workplace productivity.

The report says that 40 percent of workers with young children missed work in a 3-month period due to child care issues.

One in six Louisiana workers with young children left a job due to child care constraints, while one in 13 Louisiana workers with young children are dismissed from a job due to repeated child care issues. Bronfin believes the state could reverse this trend by restoring funding to the Child Care Assistance Program (CCAP) for children under the age of four years.

Belinda Davis, deputy director of the Public Policy Research Lab at LSU, said they surveyed 300 respondents and "quickly realized child care has a major impact on the workforce."

"It was an interesting study, and it mirrored my experiences as a working mom," Davis said.

The report says the state has decreased funding for CCAP by nearly 70 percent since 2008.

Bronfin said legislators are inclined to support the Louisiana School Readiness Tax Credits and even increase them during the 2017 legislative session. The tax credits for working parents of young children and incentives to quality child care providers and teachers help secure more than \$80 million in federal funds annually.

About 17 percent of Louisiana's 1.6 million workers are parents with children age four and under, according to the report.

Louisiana employees in urban areas are more likely to need professional early child care and education providers, as oppose to help from family.

The report reveals that working women and single working parents are more likely to make workplace decisions that impact their earning and promotion prospects due to child care issues.

The report also calls for early child care mechanisms such as quality teaching standards, low student-teacher ratios and curriculum standards.