



Child Care Affordability & Workforce Participation

Understanding the Financial Burden on Families

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Audience & Purpose

This deck is for leaders who influence family policy, workforce strategy, or economic mobility decisions.

Key Points

- Childcare is consuming **15-30% of household income** in many counties, far above the federal **7% affordability benchmark**.
- High childcare burden is associated with **lower female labor force participation**, especially in counties where costs exceed **25% of income**.
- Single-mother households face **higher exposure** to affordability pressure, reinforcing disproportionate barriers to work.
- This analysis identifies **which states and populations** face the greatest strain and quantifies the impact on workforce engagement.



Data Snapshot

23K+ observations across all U.S. states and counties from the National Database of Childcare Prices.



Focused metrics:

Childcare prices (center & family-based for infant, toddler, preschool)

Median household income (MHI)

Female LFPR (20-64)

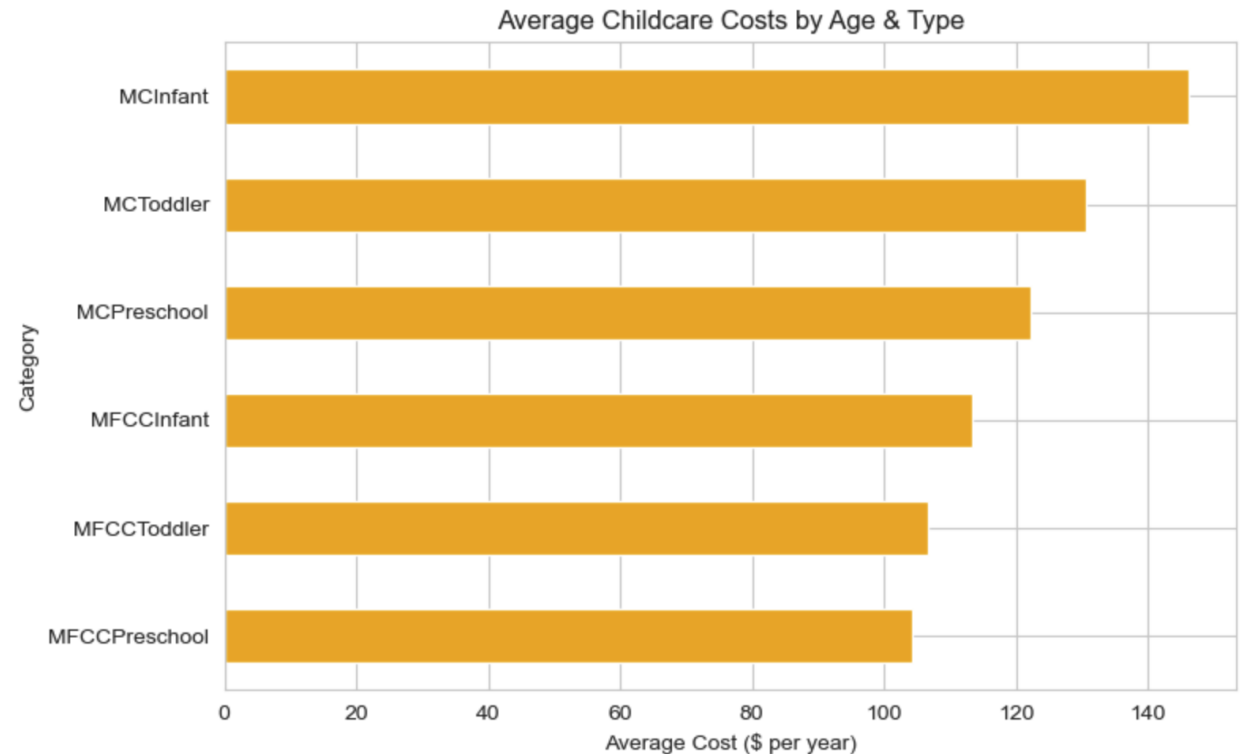
Single-mother households with kids under 6

Calculated **annual childcare cost** (weekly × 52) and **affordability burden** (cost ÷ income).

State-level results use **median values** to reflect typical family experience, not extremes.

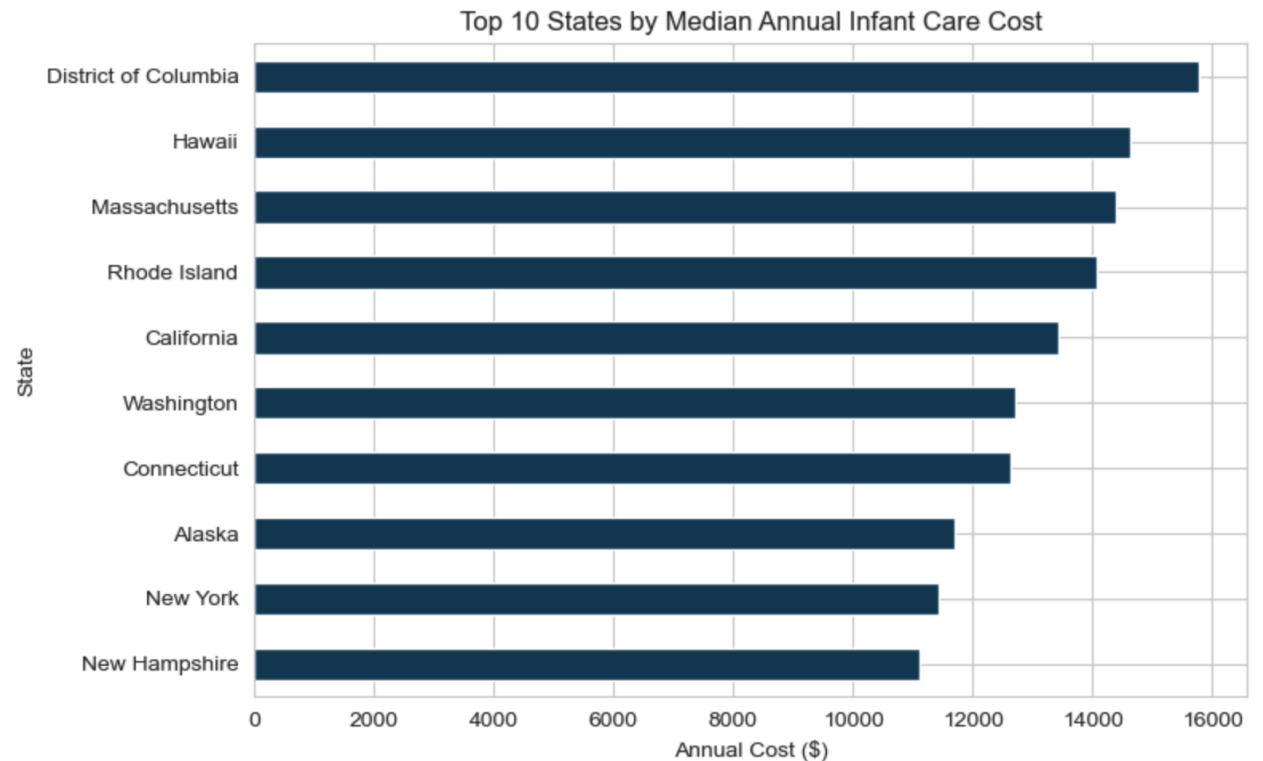
Avg Childcare Costs by Age & Type

- Across all care types, **infant care is the most expensive** segment nationally.
- **Center-based infant care (MCInfant)** averages ~**\$150-\$180/week**, or **\$7,800-\$9,300 per year**.
- **Family child-care** for preschoolers (MFCCPreschool) averages closer to **\$80-\$110/week**, highlighting the cost savings relative to center-based care.



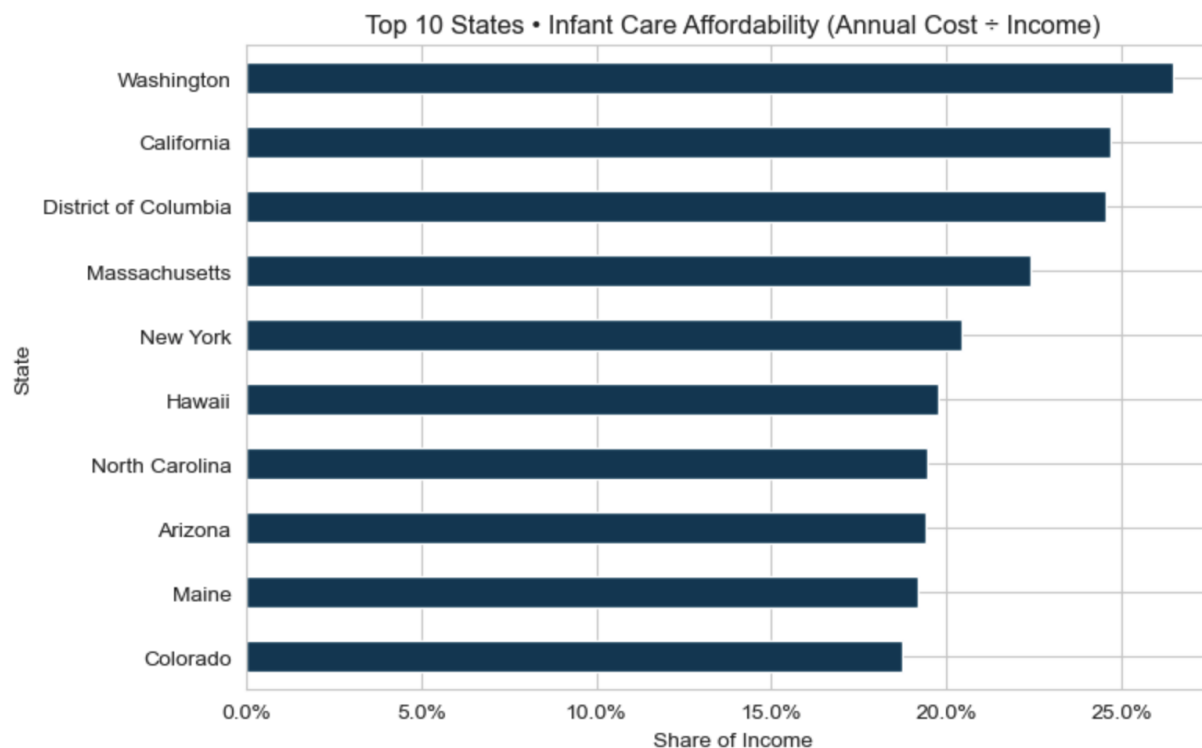
Top 10 States By Infant Care Costs

- **District of Columbia** has the highest median annual infant cost at **\$15,786**.
- **Hawaii** follows at **\$14,625**, and **Massachusetts** at **\$14,381**.
- Even large states like **California** average **\$13,423**, and **New York** reaches **\$11,428**.
- These states consistently exceed **\$1,000+ per month** in center-based infant care.



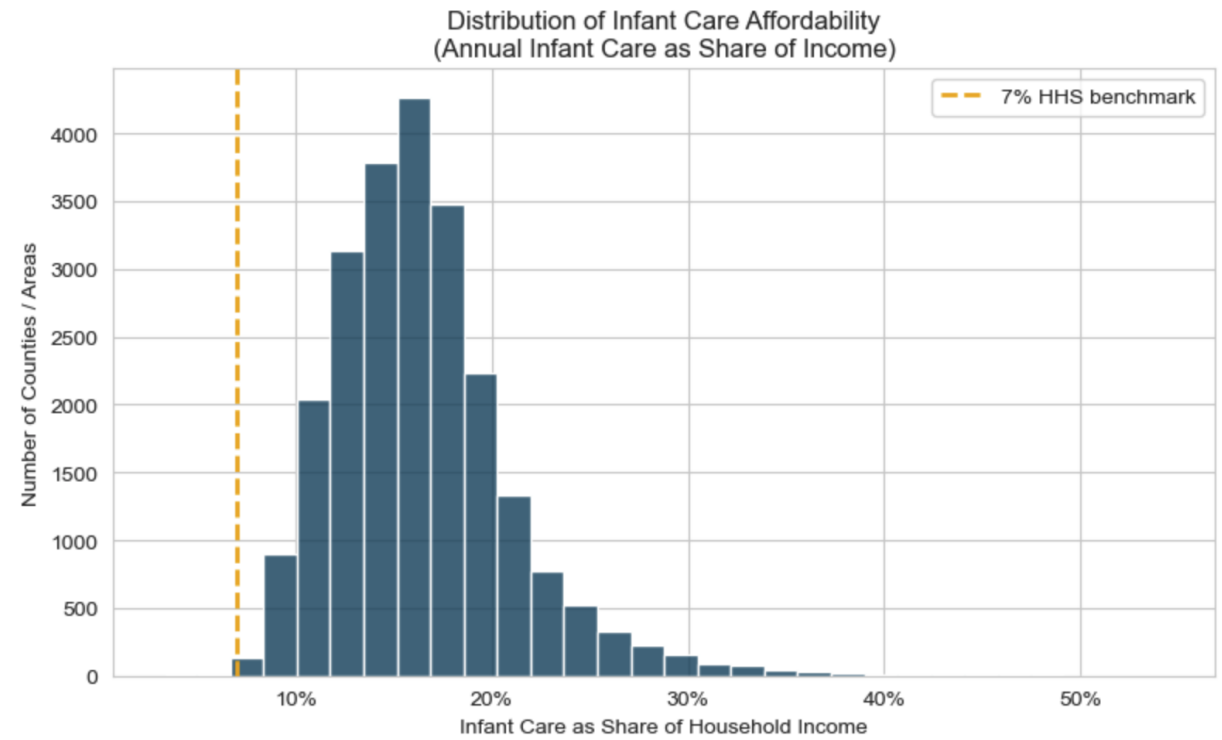
Top 10 States By Affordability Burden (Cost / Income)

- **Washington** ranks worst: Infant care consumes **26.5%** of median household income.
- **California** follows at **24.7%**, and **D.C.** at **24.6%**.
- **Massachusetts: 22.4%** of income.
- **New York: 20.4%**.
- National guideline says childcare is *affordable* at **7%** - These states exceed it by **3-4x**.



Distribution of Affordability

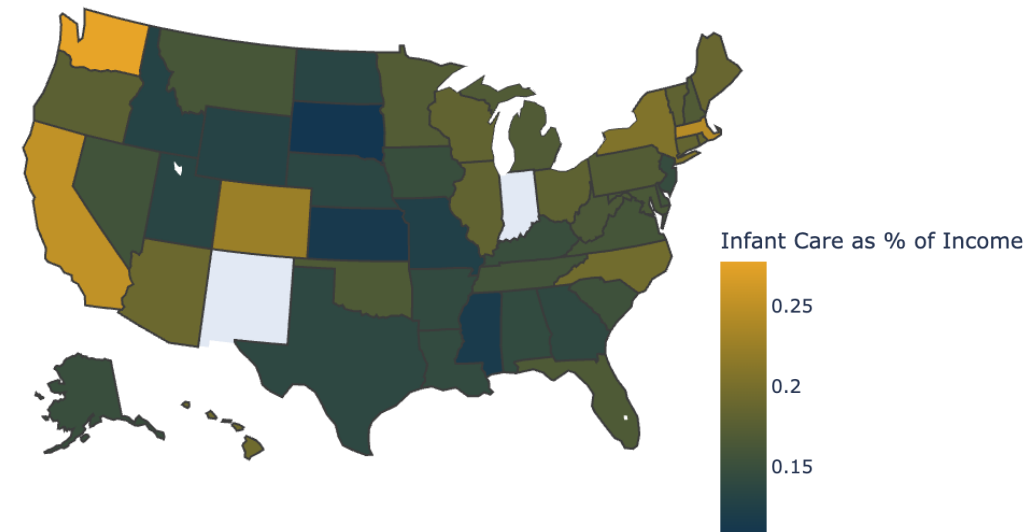
- The **majority of counties** fall between **10% and 30%** of household income spent on infant care.
- The **HHS affordability benchmark (7%)** sits far left of the distribution - showing **most U.S. families exceed the "affordable" threshold**.
- Several counties approach **40-50%** of income for infant care - meaning some families spend **half their paychecks**.



Spatial Map: State-Level Affordability

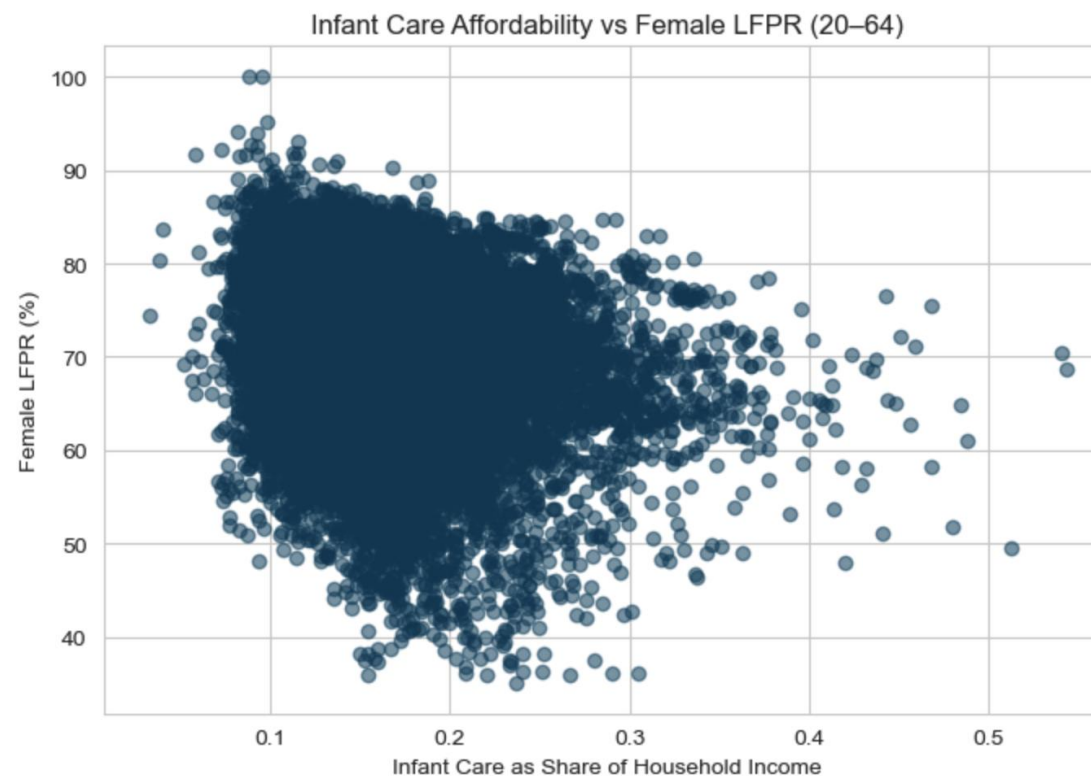
- Heavy concentration of high-burden states on the **West Coast** (WA, CA) and **Northeast** (MA, NY, DC).
- Many Southeastern states (e.g., **North Carolina, Louisiana**) also show elevated burden due to **lower income levels**, not necessarily higher care costs.
- Even states with moderate costs (e.g., **Arizona**) appear dark because incomes lag childcare inflation.

State-Level Infant Care Affordability
(Median Infant Care as Share of Household Income)



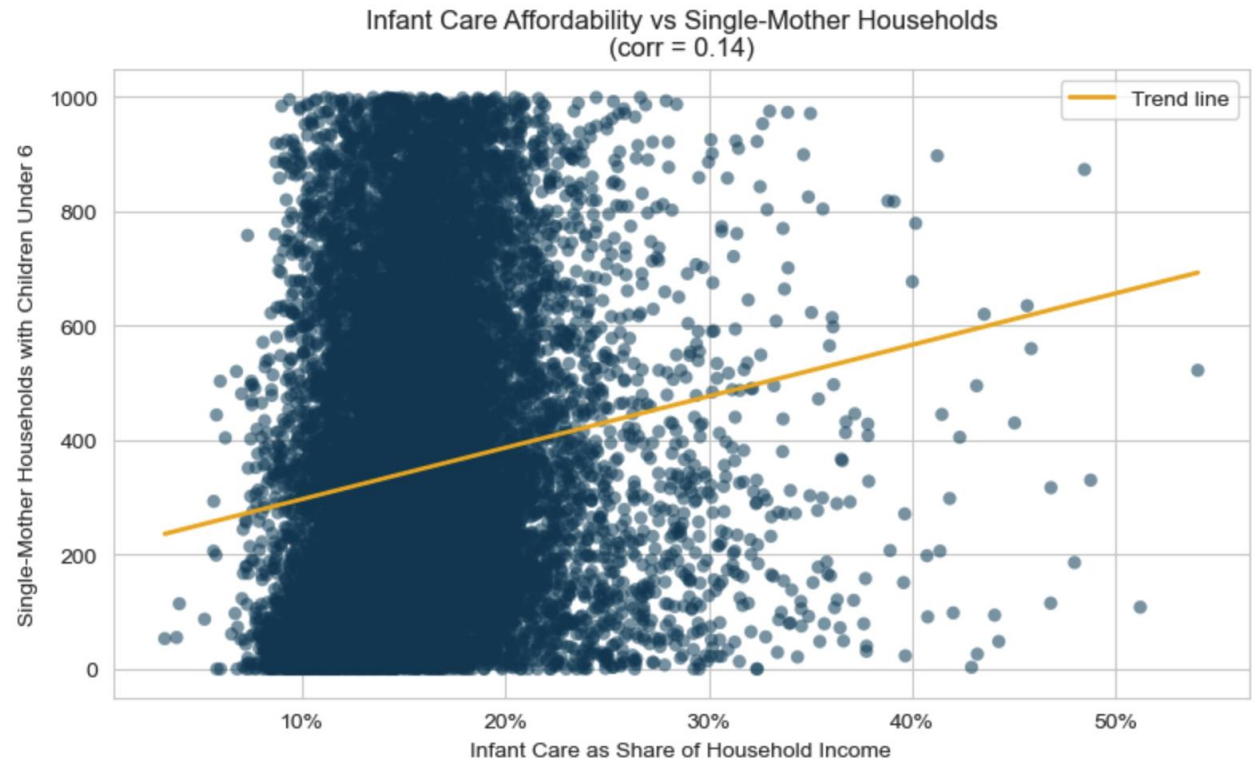
Affordability vs Female Labor Force Participation

- Correlation: **-0.139** (weak but meaningful negative relationship).
- States/counties where infant care reaches **25-35% of income** cluster heavily in the **50-65%** female LFPR range.
- High-LFPR counties (e.g., **80-90%**) tend to have affordability ratios below **15-18%**.
- This suggests cost pressure **compresses women's ability to stay in the workforce**, especially in early-childhood years.



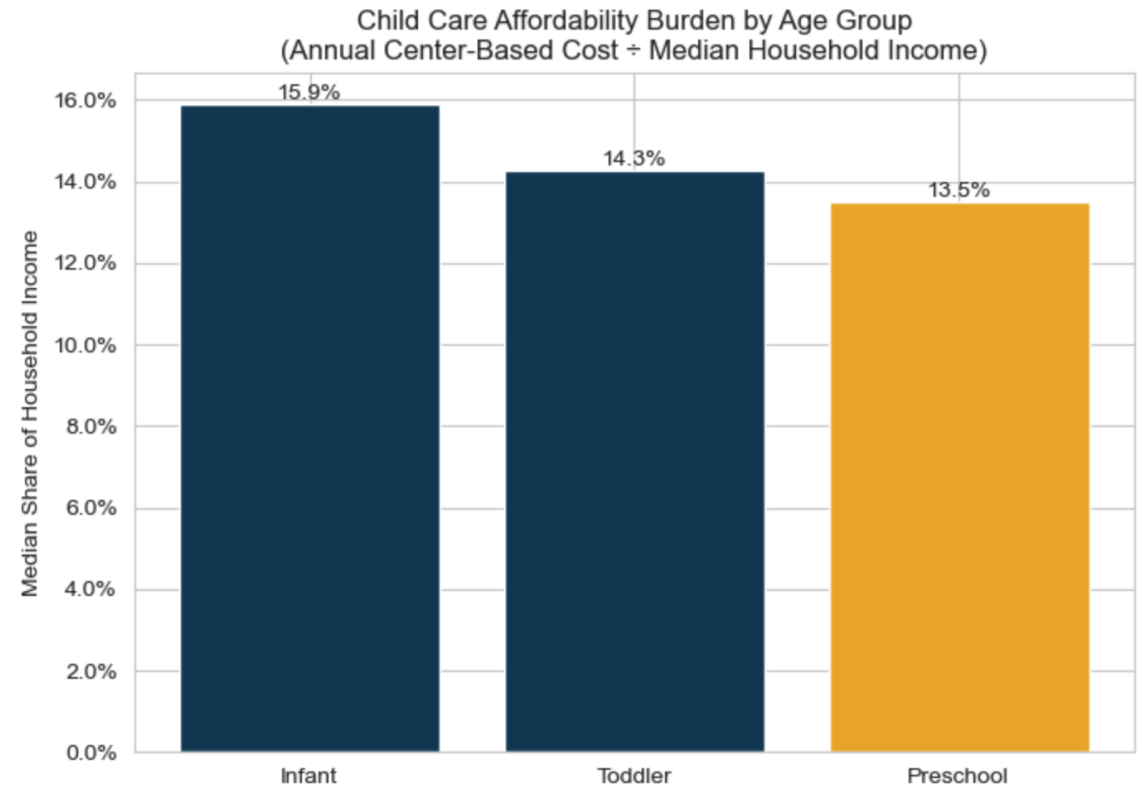
Affordability vs Single-Mother Households

- Correlation: **+0.144** - counties with higher cost burden tend to have **more** single-mother households with children under 6.
- In high-burden counties ($\geq 25\%$ of income), single-mother counts frequently exceed **80-120 households**.
- Trendline slope indicates that for each **10-point increase in affordability burden**, single-mother household counts rise substantively.
- This reinforces childcare cost as a **structural barrier**, not a discretionary spending category.



Childcare Burden by Age Group

- **Infant care** requires **15.9%** of the median household's income.
- **Toddler care** drops slightly to **14.3%**.
- **Preschool care** decreases further to **13.5%**.
- Infant care is **2.3 percentage points** higher than preschool care - representing **thousands of dollars annually**.
- This confirms infant care is the **primary pinch point** for parents re-entering the workforce.



Conclusion

Childcare costs routinely exceed the **7% affordability benchmark** - often by **3-5x**.

Most U.S. counties fall between **15-30% of household income** for infant care.

High-cost states (DC, HI, MA, CA) and high-burden states (WA, CA, DC) overlap but are not identical - **income levels reshape burden**.

Female LFPR declines at higher care burdens (-0.139 correlation).

Single mothers experience **higher exposure** (+0.144 correlation), meaning burden compounds with household structure.

Infant care is the **single largest barrier** at **15.9%** income burden.



Thank you