

SNAPSHOT

CHILD CARE AND INDIANA'S ECONOMY IN 2021

Child care is a key support for Indiana's workforce.



57% of those working in Indiana are parents.

39% of those parents have young children.

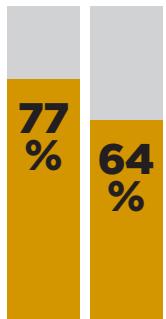
Access to child care is especially critical for Black mothers.



71% of Black mothers

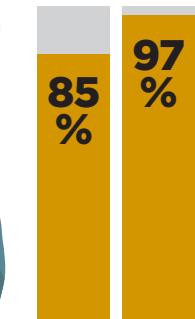
with young children are single parents, compared with **33%** of Latina mothers and **25%** of white mothers with young children.

Young parenthood boosts men's labor force participation but depresses women's labor force participation.



77% and **85%** of childless Indianan women and men, respectively, participate in the labor force.

Corresponding figures are **64%** for mothers with young children and **97%** for fathers with young children.



High child care costs challenge families with young children.



(average cost)

\$8,000
per child per year



= **13%** of median household income

The child care industry is struggling.

The child care workforce has **decreased by 7%** in Indiana since the start of the pandemic.



NOTES: This fact sheet was prepared by Samantha Evans, Charles Gascon, Ana Kent and Ngân Trần of the Federal Reserve Bank of St. Louis. Statistics are based on prime-age civilian adults ages 25-54. Young children are defined as ages 0-5. "Single" is defined as married with spouse absent, separated, divorced, widowed or never married/single. Average cost and child care workers are rounded to the nearest 100. The U.S. Department of Health and Human Services' definition of affordable child care is no more than 7% of household income. See Zeytoon Nejad Moosavian (2017) for the effect of parenthood on labor force participation.

SOURCES: U.S. Census Bureau Current Population Survey via IPUMS CPS, U.S. Census Bureau American Community Survey via IPUMS USA, Child Care Technical Assistance Network, Bureau of Labor Statistics Quarterly Census of Employment and Wages and authors' calculations.



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