

The Child Care Crisis For Children Aged Birth to 5 Costs the Washington State Economy \$6.3 Billion Each Year

Working families & employers feel the pinch

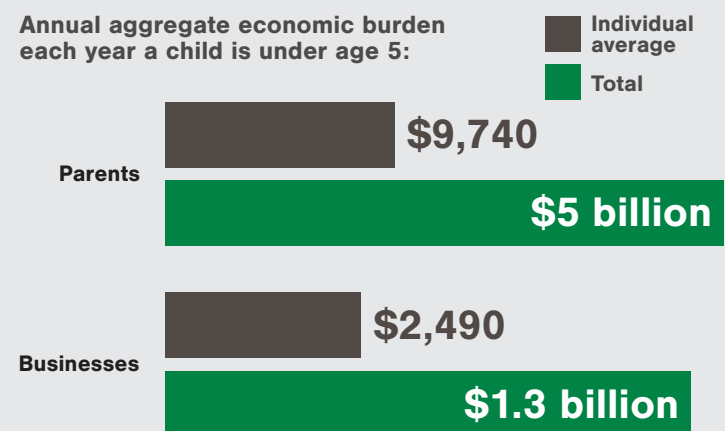
ReadyNation Washington's new study¹ of the impact of the state's child care access and affordability crisis, for children birth to 5, found a cost of \$6.3 billion in lost earnings and productivity every year. This economic burden impacts Washington parents, their employers, and the state's taxpayers.

Productivity challenges affect both employees and employers. In a new poll of Washington working parents of children birth to 5, about three-fourths reported that struggles with child care led them to leave work early. Two-thirds reported being late for work, missing a full day of work, or missing part of a work shift. More than half were distracted at work. These challenges had predictable impacts: more than one-third of parents said they've been reprimanded at work, and 15 percent have been fired. As a result, Washington families lose \$5 billion per year in forgone earnings and added job search expenses. Meanwhile, productivity problems cause the state's employers to lose \$1.3 billion annually due to child care access and affordability challenges faced by their workforce. [Washington taxpayers, in turn, lose \$1.7 billion each year in lower federal and state tax revenue.]

Beyond its impact on the current workforce and economy, the child care crisis undermines development of Washington's future workforce by depriving children of nurturing, stimulating environments that support brain development while their parents work. More than two-thirds of the Washington parents surveyed reported

The economic impacts of child care challenges in Washington State

Child care access and affordability issues, for children birth to 5, cost parents, businesses, and the state billions of dollars each year.



that child care availability is a challenge in some way. About half said it is a significant struggle to find child care that is affordable and 39 percent reported problems finding high-quality care.

The challenges of inadequate child care are experienced differently across regions within Washington.² Affordability is most challenging in Regions 1 (Eastern/North Central) and 3 (Northwest); while quality is most challenging in Region 1. Availability is most challenging in



Regions 4 (King County) and 6 (Olympic/Southwest). Parents in Region 2 (South Central) report the fewest child care challenges overall. In addition, parents in King County and Region 3 (Northwest) report the most work disruptions due to child care issues, especially with respect to job exits (being fired or quitting, the heaviest penalties). Examining the economic burden of

insufficient child care in each region, King County has the highest per parent economic impact, due to both the relatively large impacts of child care challenges in King County, as well as the significantly higher earnings of workers in the county. In addition, given its large population, King County accounts for more than half of the entire state economic burden of inadequate child care, at over \$3 billion (of the \$6.3 billion statewide total).

These data show that the failure to strengthen Washington's fragile child care infrastructure causes economic damage to employers, workers, and taxpayers. Policymakers at the state, federal, and local levels must support evidence-based policies that enhance the availability and affordability of high-quality child care. With wise investments, policymakers can improve the lives of Washington families today and strengthen the state's workforce and economy both now and into the future.

¹ ReadyNation Washington. (2026). The child care crisis for children aged birth to 5 costs the Washington state economy \$6.3 billion each year. <https://www.instituteofchildsuccess.org/readynation-washington/>

² For the purposes of this report, regions were defined based loosely on those used by the Washington State Department of Transportation. <https://wsdot.wa.gov/sites/default/files/2021-10/wsdot-regions-map.pdf> There is substantial overlap with the six Regional Partner regions defined by Child Care Aware of Washington. <https://childcareawarewa.org/about/regional-partnership/> **Region 1:** Adams, Chelan, Douglas, Ferry, Grant, Lincoln, Okanogan, Pend d'Oreille, Spokane, Stevens, Whitman Counties; **Region 2:** Asotin, Benton, Columbia, Franklin, Garfield, Kittitas, Walla Walla, Yakima Counties; **Region 3:** Island, San Juan, Skagit, Snohomish, Whatcom Counties; **Region 4:** King County; **Region 5:** Kitsap, Pierce Counties; **Region 6:** Clallam, Clark, Cowlitz, Grays Harbor, Jefferson, Klickitat, Lewis, Mason, Pacific, Skamania, Thurston, Wahkiakum Counties.

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