

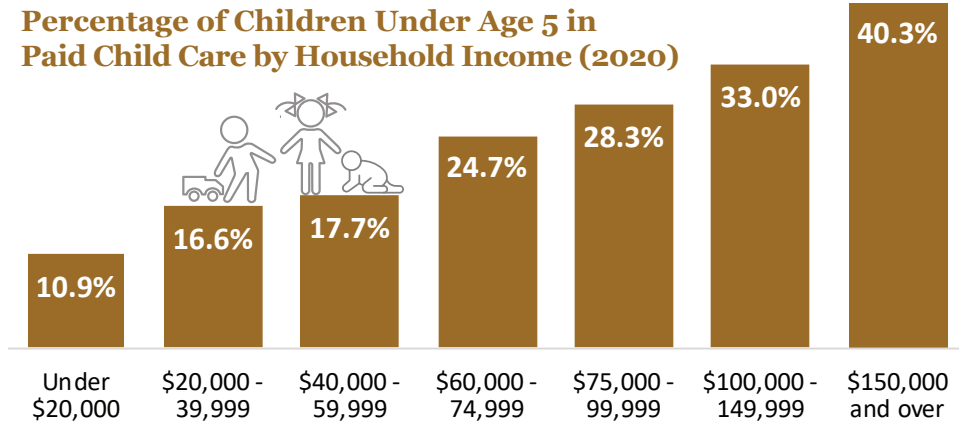
The Economic Role of Paid Child Care in the U.S.



As household income rises, use of Paid Child Care rises
particularly for children under age 5

Higher income means more Paid Child Care Use

Percentage of Children Under Age 5 in Paid Child Care by Household Income (2020)



The gap in income - using vs. not using Paid Child Care

Households with children under age 5 (2020)

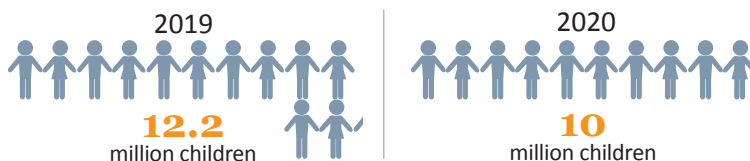
Using Paid Child Care	\$147,230
Not Using Paid Child Care	\$96,037
	\$51,193 income difference

Households with children ages 0 – 14 (2020)

Using Paid Child Care	\$149,926
Not Using Paid Child Care	\$110,877
	\$39,049 income difference

The pandemic affected the use of Paid Child Care

Number of children under 14 in Paid Child Care



What predicts Paid Child Care use?



Labor force attachment
particularly for mothers

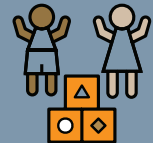


Household income
paid care rises as income rises



Educational attainment
paid care rises with more education

More than 75%
of children in Paid Child Care are
age 8 and under.



That's
9.4 million
children

What affects Paid Child Care use in states?



Child care costs
as a share of income



Federal and state subsidies and offsets
(such as tax credits) as a share of income



Availability of publicly provided care
(primarily public preschool)