Problem: Families across Virginia struggle to find quality, affordable childcare. This negatively impacts school readiness, workforce participation, and economic growth. A 2023 JLARC report that studied availability and affordability of childcare concluded that Virginia’s lack of affordable child care services is a major barrier to self-sufficiency for families. While the federal government deems 7 percent of household income towards child care costs to be the affordability threshold, 80 percent of Virginia families are forced to spend more than the federal threshold for infant and toddler care and 74 percent of Virginia families are spending more than the federal threshold for pre-school.

Policy solution: The General Assembly should allocate money in the budget to improve low- and moderate-income working parents’ ability to afford and access quality childcare in their communities and improve pay and benefits for early childcare educators.

Who Benefits?

Children: Children who are school ready at age five are more likely to be successful in school and to have higher lifetime earnings if they have had quality childcare. But 41 percent of Virginia’s kindergarteners ended the last school year without key literacy, mathematics, self-regulation and/or social skills. Ensuring that every child has access to quality childcare is a crucial step in ensuring lifetime academic achievement.

Parents: Too many parents must choose between job opportunities and childcare responsibilities. In 2016 alone, an estimated two million parents made career sacrifices due to problems with childcare. This has an outsized effect on mothers in the workforce, as mothers disproportionately assume unpaid caregiving responsibilities when their family cannot find or afford childcare. A 2018 national survey found that mothers were 40 percent more likely to report that they had personally felt the negative impact of childcare issues on their careers. In Virginia, 48 percent of all parents say their job is being negatively impacted by the lack of access to childcare.

Early Educators: 90 percent of Virginia’s childcare centers reported challenges with staffing. Wages in the childcare and early education sector are some of the lowest on average, despite the necessary role educators play in children’s lives and futures. Maximizing investments in childcare will allow providers to offer competitive pay and benefits, enabling them to retain talented staff and reduce turnover.

Employers: 76 percent of Virginia employers reported that childcare availability is impacting their workforce recruitment and retention. The Virginia State Chamber of Commerce is an active member of the Virginia Promise Partnership, the statewide childcare coalition, because of employers’ concerns for workers needing childcare.

Can Virginia afford it? Strong investments in Virginia’s public-private early childhood system through programs like Mixed Delivery and Child Care Subsidy will increase access for families who need them most and empower parents with affordable choices to better meet their needs and preferences.

Sources: VA Chamber of Commerce, Virginia Promise Partnership, Center for American Progress, Brookings Institution, JLARC ‘Virginia’s Self-Sufficiency Programs and the Availability and Affordability of Child Care’