

JULY 2020

PIECING TOGETHER SOLUTIONS:

Working Parents, Childcare, and COVID-19

The COVID-19 public health crisis has been a wake-up call for many to the role of the childcare industry in our lives. Thirteen million working parents rely on this industry to care for their children while they do their jobs. In many cases, working parents will not be able to return to work if their childcare programs are unable to reopen.

Prior to the pandemic, the U.S. Chamber of Commerce Foundation demonstrated that childcare was essential to our economy. In the fall of 2019, we studied the economic impact on states and employers when the childcare system breaks down through a series of reports. What these reports found was staggering – billions of dollars lost annually during a time when unemployment was low and economies were strong.

Now, several months after these reports, working parents are facing new, complicated childcare challenges caused by COVID-19. These challenges have ripple effects across communities, making childcare crucial for every employer and state to prioritize. With that in mind, the Chamber Foundation has launched a new longitudinal study to understand how lack of childcare is affecting working parents in these unprecedented times. This study is focused specifically on working parents with children under the age of six to highlight the new barriers facing families. Over the next few months, the Chamber Foundation will be releasing findings from multiple vantage points of those impacted by the childcare challenges, including parents, employers, and childcare providers. To start, here are some topline findings from working parents:

TOPLINE FINDINGS

1/2

Almost half of working parents are now working remotely

Flexible working hours and the ability to work remotely were identified as the most important employer-provided benefits for working parents

75%

of working parents currently have children staying at home with a parent during work hours

2/3

Two-thirds of parents have changed their childcare arrangement due to COVID-19

60%

of parents will need to change their current childcare arrangement within the next year

22%

of parents are unsure whether they will return to their pre-COVID-19 working situation

Key Findings: Common Experience

We have separated our key findings into two categories: (1) Common Experience, and (2) Childcare Equation and Returning to Work. The findings categorized as Common Experience are more intuitive insights that validate common situations working parents have personally experienced. These findings illustrate the complicated situation in which many parents now find themselves: balancing working from home with full-time responsibility of a young child. These findings establish a baseline of understanding of how the majority of parents' work situations has been impacted by COVID-19.

Shift to Remote Work

In response to the effects of COVID-19, many businesses have shifted to remote work. As a result, almost half of parents of young children are now working remotely. However, this is an accommodation more commonly afforded to high-income (73%) and white (54%) parents. Comparatively, only 24% of low-income parents, 40% of Black parents, and 34% of Hispanic or Latino parents are working remotely.

FIGURE 1

Percent of parents who have experienced changes to their work situation

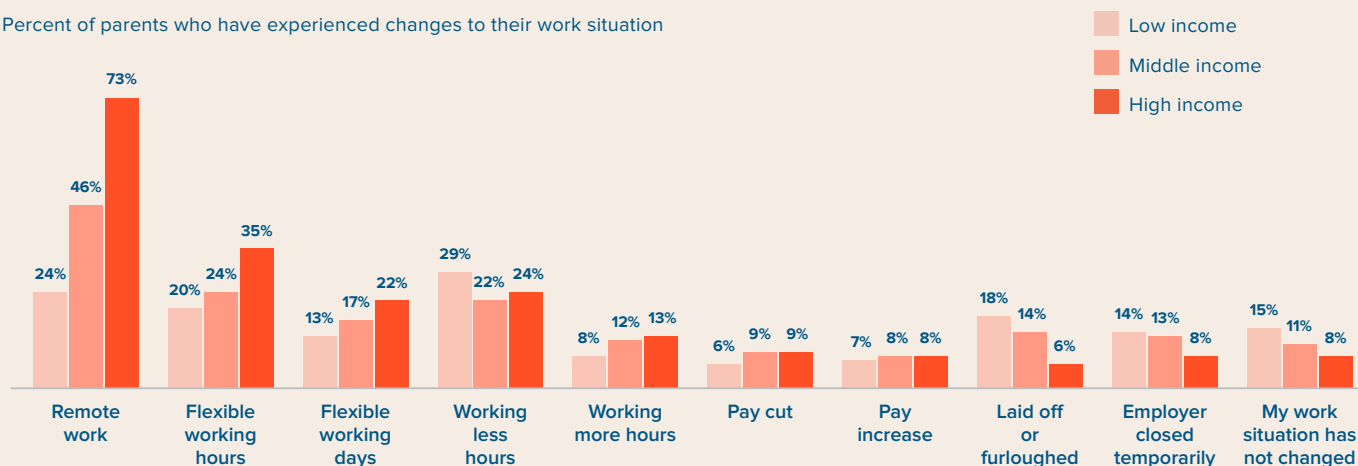
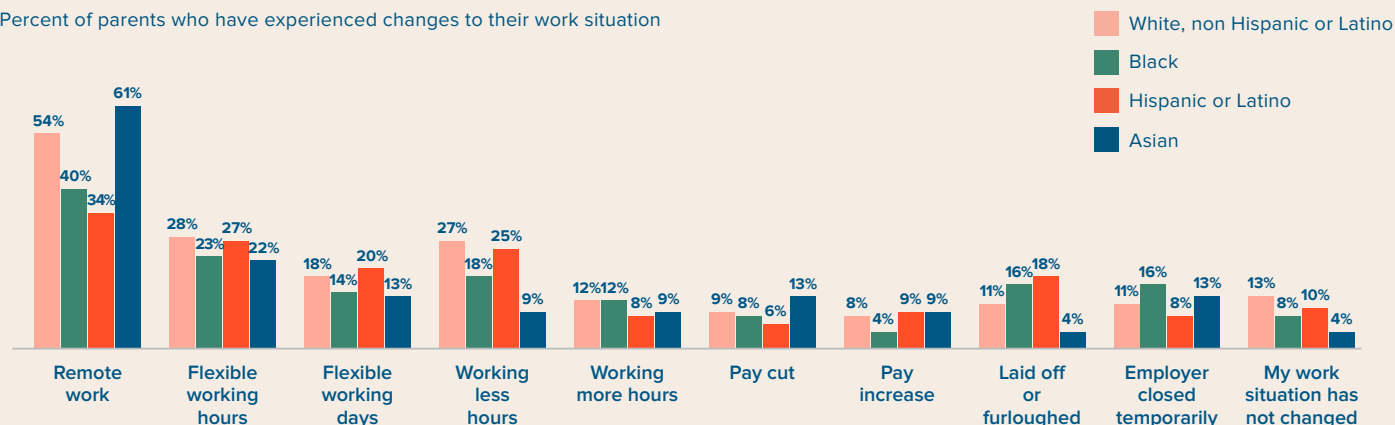


FIGURE 2

Percent of parents who have experienced changes to their work situation



More Children Staying at Home

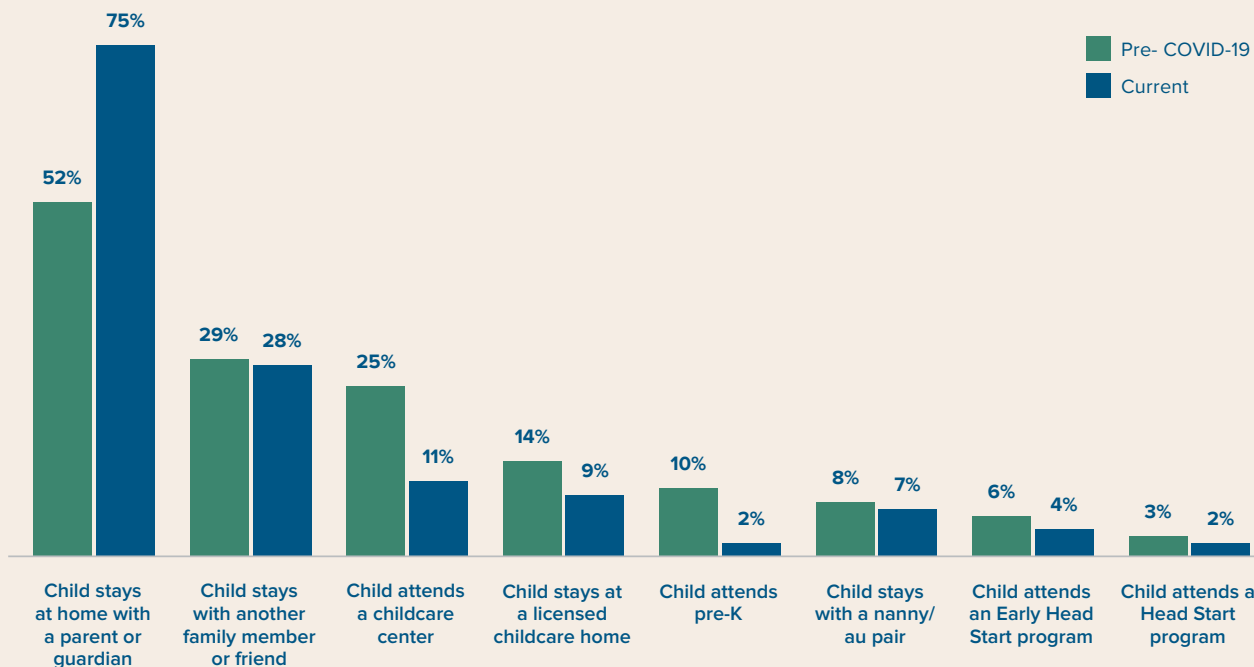
Currently, 75% of working parents have children staying at home with a parent during work hours, compared to 52% before the COVID-19 outbreak. This increase in children staying at home mirrors the decrease of children attending home- and center-based childcare. When parents are unable to care for their child at home, they explore other avenues such as sending their children to stay with a family member or friend.

25%

Single parents and low-income parents are 25% less likely to have children staying at home with a parent than married parents or high-income parents.

FIGURE 3

Percent of parents using each type of childcare arrangement



Key Findings: Childcare Equation and Returning to Work

Long before COVID-19, parents created their ‘Childcare Equation’ by determining the level and type of childcare solutions that best meet their needs. As businesses, schools, and childcare providers have been affected by COVID-19, parents have been forced to drastically adjust their equation. This has led to unsustainable childcare arrangements, with many working parents left to wonder if they will be able to return to work at all. In this environment, work flexibility is paramount for parents.

Extensive Childcare Changes

Two-thirds of parents have changed their childcare arrangement since March. When asked to identify which factors caused that change, **61% of parents indicated that their previous arrangement closed and 25% indicated that they chose not to send their children due to health and safety concerns.** With more children staying at home, working parents have had to explore other childcare solutions, including alternating work hours with someone in their household or adjusting their work hours. Parents with less flexibility in their work situation or less support at home have needed to take unpaid leave or travel to extended family or friends for childcare support, all of which introduces complexity for families and strains productivity.

FIGURE 4

Percent of parents who have done the following to provide childcare in the last three months

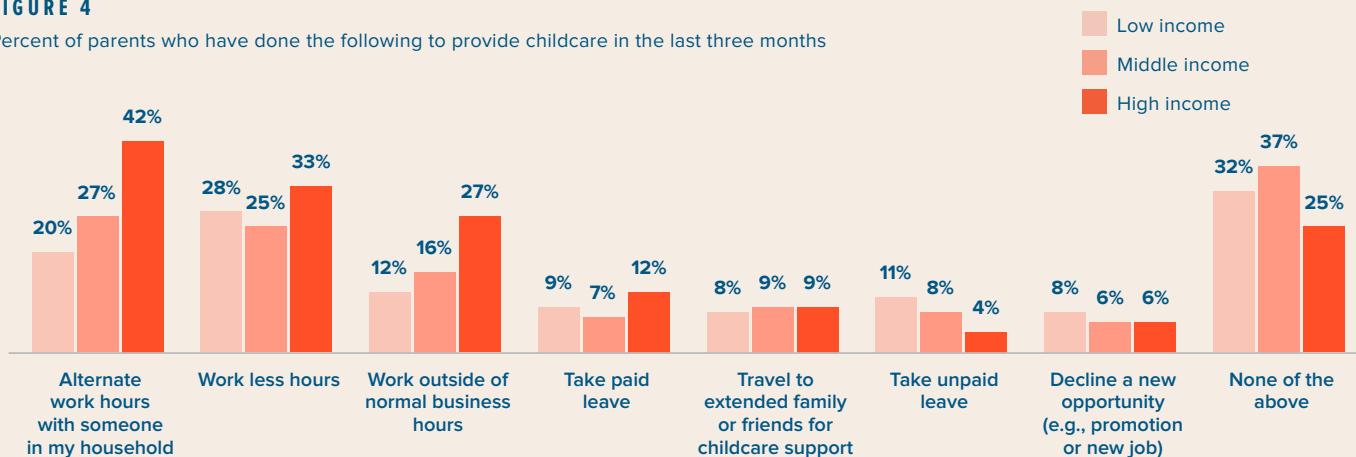
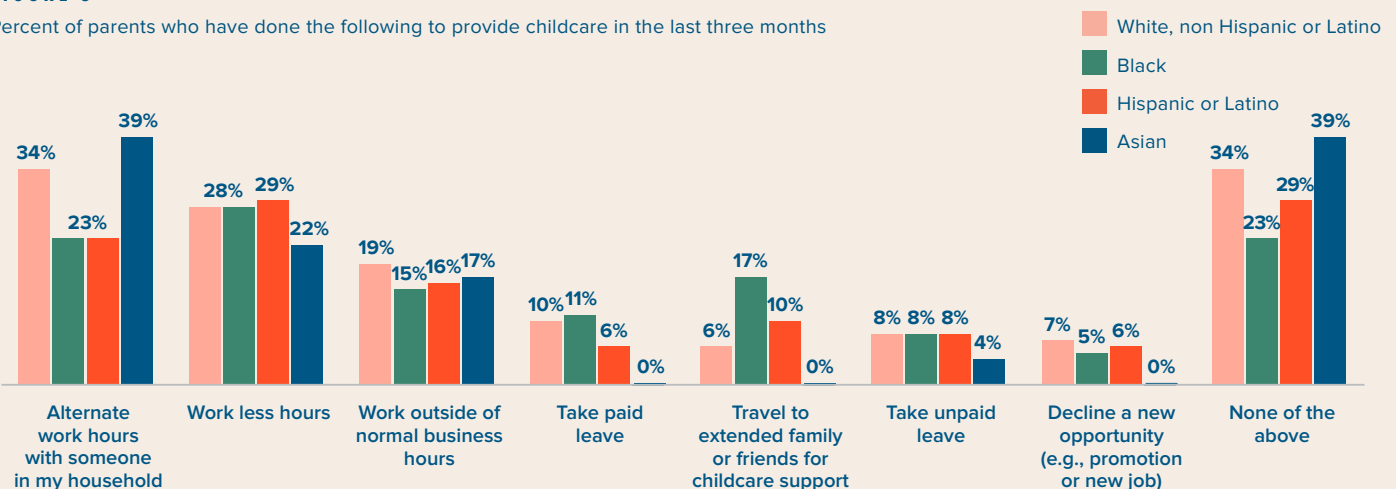


FIGURE 5

Percent of parents who have done the following to provide childcare in the last three months

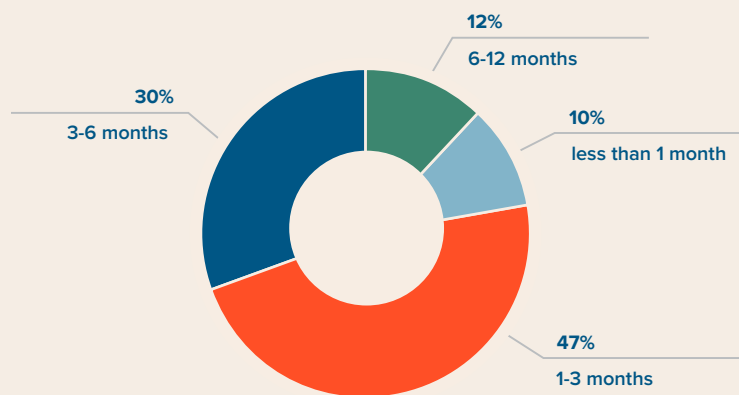


Largely Temporary Solutions

Parents have been forced to find alternative childcare solutions, but the majority of parents do not feel these solutions are sustainable. **Sixty percent of parents will need to change their current childcare arrangement within the next year, and of those parents, more than half will need to change their arrangement within the next three months.**

FIGURE 6

Percent of parents who need to change their childcare arrangement within a certain time frame



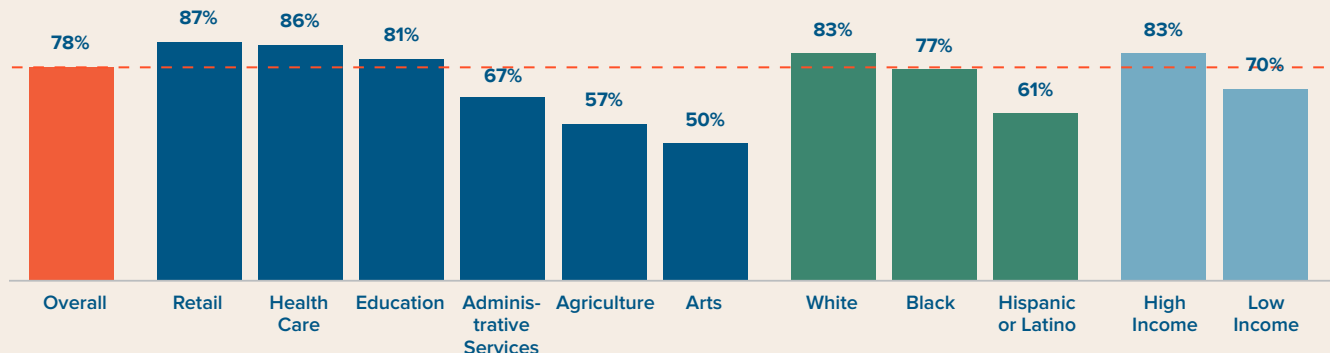
Risk of Employees Not Returning to Work

We asked parents how likely they were to return to work. Due to the diversity of work situations, we defined returning to work as returning to a state similar to their previous working situation before the COVID-19 outbreak. For example, if a respondent is currently working remotely but previously worked full-time at an office, returning to work would signify returning to work full-time at the office.

We found that 12% of working parents are unlikely to return to their same work situation, with another 10% unsure whether they will return or not. The likelihood of returning to work decreases for working parents of color as well as low-income parents. Certain industries are also at more risk than others. Industries that have been deemed essential during the pandemic, including education, health care, and some retail stores, are less likely to experience a large change to their workforce, while other non-essential services are more likely to experience a substantial change to their workforce.

FIGURE 7

Percent of parents likely to return to work

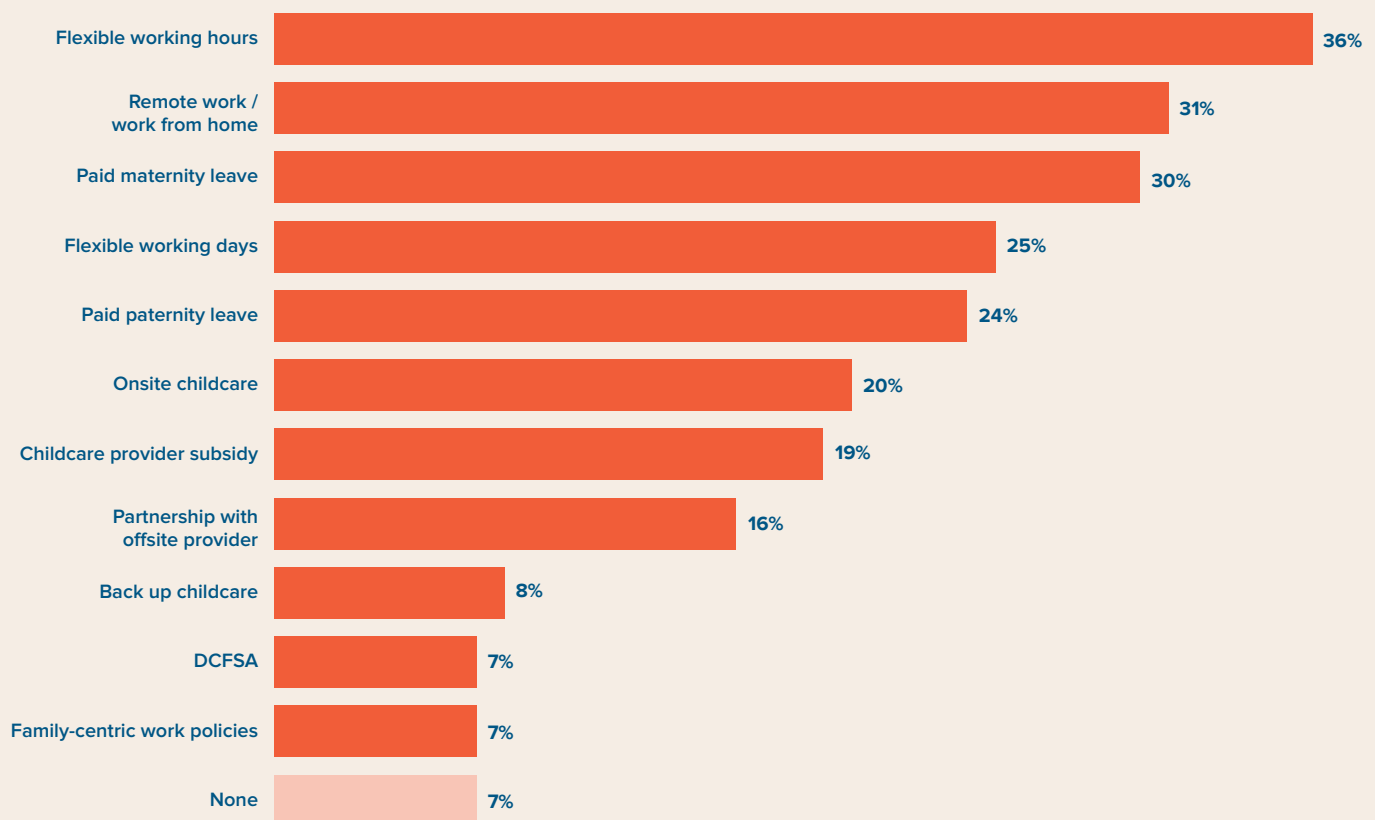


Flexibility is Key

Flexible working hours and the ability to work remotely were identified as the most important employer-provided benefits for working parents, closely followed by paid maternity leave. However, more than 20% of working parents also identified flexible working days, paid paternity leave, or onsite childcare as important benefits. More direct support such as onsite childcare or subsidies are more important for those working at less flexible jobs. For example, 37% of parents who work in K – 12 education selected onsite childcare as one of the most important childcare benefits, compared to 9% of parents who work in professional services. As educators typically have little flexibility in working hours, direct childcare support is of greater importance.

FIGURE 8

Percent of parents who view the childcare benefit as one of the top three most important for an employer to offer



Implications and Additional Areas of Exploration

COVID-19 has altered the work environment of nearly 90% of working parents and caused two-thirds of working parents to adjust their childcare arrangements. Parents have been forced to find alternative childcare solutions, and for three-quarters of parents, that means children staying at home with a parent or guardian during work hours. Businesses may feel that offering remote work and flexible working hours is enough to accommodate this shift. However, the majority of parents feel their provisional childcare arrangement is unsustainable, with 60% needing to change their arrangement within the year and 35% needing to change within the next three months. And yet, the availability of childcare over the next year is still very unclear.

Daily COVID-19 cases continue to increase in many states, causing re-opening plans to stall. Many childcare providers remain closed or at limited capacity, either due to government mandates or their own health and safety concerns. This uncertainty affects the viability of working parents returning to work. Currently, more than one in five working parents are unsure whether they will fully return to work. As the pandemic continues to evolve over the next several months and key decisions around schools and childcare programs are made, it will be critical to gather additional data to understand how working parents are re-evaluating their ability to return to work and the decisions they are making to revise their Childcare Equation in light of this pandemic.

For this reason, the U.S. Chamber of Commerce Foundation will administer additional data collection for working parents. Additionally, the Chamber Foundation is collecting data from employers and childcare providers to understand how COVID-19 has impacted childcare from multiple vantage points. We hope to share more insights regarding employer priorities and needs, childcare provider challenges and plans, how working parents are navigating their return to work, and the potential implications on the economy if we do not address childcare challenges. ■

“The majority of parents feel their provisional childcare arrangement is unsustainable.”

APPENDIX A: SURVEY METHODOLOGY AND RESPONDENT DEMOGRAPHICS

The U.S. Chamber of Commerce Foundation conducted an online survey of parents who have one or more children under the age of six and are currently employed or were employed within the past six months. The sample included 562 parents from 42 states and more than 20 industries. The survey was fielded from June 5 to June 18, 2020.

AGE	18-24	25-34	34-44	45-54	55+
N=562	8%	42%	41%	7%	2%

GENDER	Female	Male	Prefer not to say
N=562	59%	40%	1%

RACE AND ETHNICITY	White, non-Hispanic or Latino	Black	Hispanic or Latino	Asian	Other
N=562	63%	16%	14%	4%	2%

ANNUAL INCOME	Less than \$50K	\$50K - \$100K	More than \$100K
N=562	32%	35%	32%

MARITAL STATUS	Married, or in a domestic partnership	Single	Divorced	Separated	Widowed
N=562	73%	21%	4%	1%	1%

EDUCATION	Less than high school	High school diploma	2-year college or technical degree	4-year college degree	Advanced degree
N=562	1%	28%	11%	36%	24%

EMPLOYMENT	Employed full-time	Employed part-time	Furloughed	Unemployed within the last six months
N=562	75%	13%	2%	10%

ESSENTIAL WORKERS	Essential	Non-essential
N=562	57%	43%

APPENDIX B: CHILDCARE AND PAID LEAVE BENEFITS

Although there is a lot of energy around paid leave policies across the country, with any solutions proposed, access to affordable, high quality childcare is still a problem for many families. Respondents to our survey conflated, and understandably so, childcare and paid leave benefits. We included all their responses while also recognizing that they are distinct topics and our report only examines childcare.

