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.

\( \$8,000 \text{ per child per year} = 13\% \text{ of median household income} \)

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.