SNAPSHOT

CHILD CARE AND TENNESSEE’S ECONOMY IN 2021

Child care is a key support for Tennessee’s workforce.

- 51% of those working in Tennessee are parents.
- 37% of those parents have young children.

Access to child care is especially critical for Black mothers.

- 67% of Black mothers with young children are single parents, compared with 31% of Latina mothers and 24% of white mothers with young children.

Young parenthood boosts men’s labor force participation but depresses women’s labor force participation.

- 81% and 82% of childless Tennessean women and men, respectively, participate in the labor force.
- Corresponding figures are 63% for mothers with young children and 94% for fathers with young children.

High child care costs challenge families with young children.

- $7,700 per child per year = 13% of median household income

The child care industry is struggling.

- The child care workforce has decreased by 8% in Tennessee since the start of the pandemic.
- 1,100 workers have left the industry.

NOTES: This fact sheet was prepared by Samantha Evans, Charles Gascon, Ana Kent and Ngân Trân 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.