

The Montana Child Care Profile



2002-2003

*A compilation of data about child
care in Montana*

Produced by the Montana Child Care
Resource & Referral Network



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Department of Public Health and Human Services

Montana

Montana's Child Care Challenges

Montana's rural economy is dominated by seasonal industries, long-distance commutes, low-wage jobs, and difficult access to public transportation, health care and other human services. Over the past two decades, resource-based industries have declined while new, lower wage service jobs grew in health care, retail and hospitality. More mothers have joined the workforce and fewer parents can afford to stay home with their small children.

Families have trouble affording quality child care. One year of care for a preschooler costs more than one year of tuition at a state university. Parents with more than one child pay as much for child care as they do for housing. Low income families use an enormous portion of their earnings to pay for child care.

Meanwhile, child care remains one of the lowest-paid professions in the state, and turnover among caregivers is extremely high. Caregivers often leave the field to seek higher pay and benefits. In 1999, Montana child care centers lost teachers at a rate of 40%, and assistant teachers at a rate of 60%, over a six-month period. A recent study of home-based child care businesses in three western Montana counties showed a loss of 25% of facilities in one year.

Parents who work evenings, weekends, or rotating shifts—and parents of infants, school-age children, or children with special needs—have a hard time finding care as child care businesses struggle to cover the costs of providing this labor-intensive service.

Yet research shows that quality child care ensures the health and safety of children, aids their social development and improves academic achievement, and supports their working parents. For now and later, quality child care keeps Montana working.

For more information about child care in Montana, or to find your local CCR&R, contact the Montana Child Care Resource & Referral Network at 127 E. Main St, Ste. 217, Missoula, MT 59802 or call 549-1028. Or find us on the Internet at www.montanachildcare.com

Many Montanans Are Children ¹

Total number of residents in Montana	904,733
% growth in population 1990-2000	13%
Children under 5 as % of population	6%
Children under 18 as % of population	25.5%
% households with children	33.3%
% children living in single-parent families	25%
Total number of children under 18	230,062
Total number of children ages 5-14	131,261
Total number of children ages 0-4	54,869
Estimated poverty rate	16%
% children ages 0-17 living in poverty	19%
% children under 5 living in poverty	25.5%

Working Parents Need Child Care ²

% children under 6 with working parents	72%
% children ages 6-12 with working parents	52%
% children living in low-income working families	26%

Child Care Is Expensive

Average annual cost of full-time, regulated care	
for an infant, up to 24 months	\$5,475
for a toddler, 2-3 years	\$4,697
for a preschool child, 3-4 years	\$4,620
for a school-age child, 5+ years ³	\$2,630

Child Care Workers Are Underpaid

Salary of child care worker ⁴	\$14,020
Salary of preschool teacher ⁴	\$17,058
Salary of public elementary school teacher ⁴	\$31,513

¹U.S. Census Bureau, 2000

²Children living with two employed parents or an employed single head of household

³Four hours/day – before/after school

⁴Statewide averages, U.S. Department of Labor, 2000

Child Care Need and Capacity In Montana

Parents Need Child Care

Type of care requested by parents¹

Infant/toddler care (under 3 yrs)	56%
Preschool care (3-4 yrs)	18%
School-age care (5+ yrs)	25%

Schedules requested by parents

Full-time care	83%
Part-time care	14%
Both full-time and part-time care	2%

Special schedules requested by parents

Before/after school	12%
Rotating/flexible hours	3%

Requests for non-traditional hours

Weekend care	18%
Evening/overnight care	5%

Child Care Is Hard to Find

Total Regulated Capacity	20,702
Total Infant Capacity	5,367
Total Vacancies	3,606
Total Infant Vacancies	887

Total Facilities	1,407
Child care centers	264
Group child care homes	458
Family child care homes	685

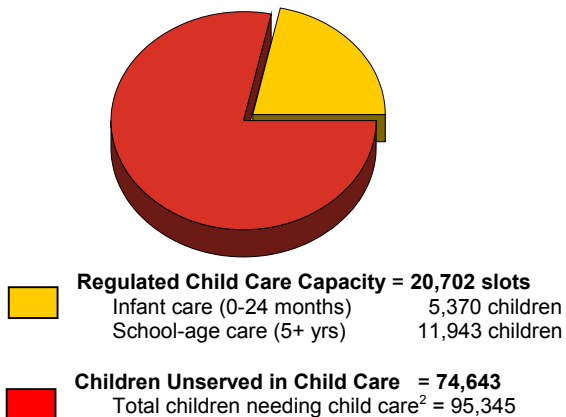
Facilities offering care during non-traditional hours

Evening care	5%
Overnight care	5%
Weekend care	8%

Child Care Payment Assistance⁴

Children served	10,159
Families served	6,275
% eligible children served ⁵	11%
Dollars spent	\$17,282,454
Spending generated in local communities	\$29,380,172

Montana's regulated child care supply meets only 22% of the estimated need. There are over 4 times more children, ages birth-12, with working parents than regulated child care capacity.



¹Percentage may total more than 100% because, in some categories, more than one type of care is requested

²Number of children with working parents

³Within the childcare industry, capacity is described by the term *slots*, indicating the number of children who can be served full-time in a regulated care setting

⁴Montana Department of Public Health and Human Services, FY03

⁵Eligibility is set at 150% of federal poverty, or 51% of state median income

The data indicates important trends:

- Regulated care is still in short supply.**
On average, only one slot at a licensed child care center or registered child care home exists for every four children with working parents.
- School-age care is hard to find.**
Regulated school-age care programs have the capacity to serve just 21% of school-age children with working parents. While some communities benefit from unregulated after-school programs, families need more options for out-of-school care.
- Although we have seen a slight growth in child care capacity statewide, the number of child care facilities is declining.**
This indicates an increase in centers and decline in child care homes, which will prove detrimental to very small rural communities and to families needing the flexible scheduling that home-based child care businesses are more likely to provide.
- Few facilities offer evening, weekend or overnight care.**
Statewide, only 5% of facilities offer evening care, 8% offer weekend care, and 5% offer overnight care.
- Some types of care are less profitable, and harder to find.**
Infant care requires a ratio of one adult to only four children; school-age care is a part-time service; flexible and part-time schedules are hard to fill to capacity. All of these factors challenge income and profitability for a child care business.
- The combined cost of housing and child care is a challenge for many families.**
Fair market housing costs for a two-bedroom unit and child care for an infant in a licensed center consume about 37% of the median household income in Montana. *Even full-time work at minimum wage can't cover the costs of housing and child care.*

What the Data Doesn't Show

Although this Profile gives the most detailed snapshot available of regulated child care in Montana, it doesn't tell the whole story. Until more research is done, important questions remain.

How much child care is really available?

Profile data shows that the capacity of regulated care does not meet need. However, assessments of capacity are based on the assumption that regulated providers keep all of their slots open. In fact, many child care facilities do not operate at full capacity because of the shortage of qualified staff and the complexities of serving young children.

How many children are in unregulated care?

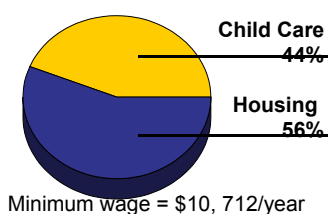
Hundreds of Montana families rely on unregulated care provided by family, friends, or neighbors. The state recognizes a category of home-based care called *legally-unregistered providers*. Some parents find this care more convenient or flexible; others may choose it because of cost or quality considerations. Legally-unregistered providers attend orientation training, and are encouraged to attend training workshops in child health, safety and development.

How much capacity is lost in a year?

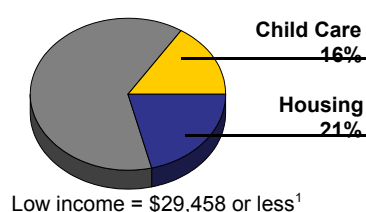
The numbers shown here reflect the *total supply* of regulated slots. But we know that many facilities closed this year due to their inability to cover operating costs. Despite efforts to recruit and retain regulated caregivers, they often leave the field and are replaced by newcomers with entry level skill levels and professionalism. Caregivers are encouraged to seek improved skill levels to enhance job satisfaction and longevity.

Portion of Income Needed to Pay for Housing and One Infant in Regulated Center

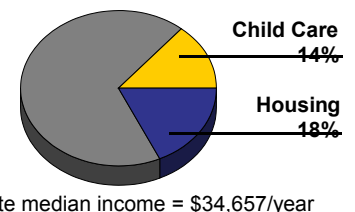
For a Family at Minimum Wage
(without subsidies)



For a Low Income Family



For a Family at Median Income



¹Low income defined as 85% of state median income