Poll: Business leaders face economic hardship due to lack of employee access to infant and toddler child care, call for more public investment

New statewide survey reveals importance of high-quality infant and toddler child care for the economy as the pandemic continues to hurt employers and families

NEW YORK – A majority of business leaders (58%) say the lack of accessibility and availability of high-quality child care for infants and toddlers negatively impacts their business, according to a new statewide poll, a finding that was especially true among businesses in New York City where two-thirds (67%) of business leaders agreed.

The survey results reinforce that New York State’s child care crisis has been amplified for both families and employers during the pandemic. Business leaders believe the lack of access to quality infant and toddler child care will make problems worse for their business if coronavirus cases rise this fall and winter, or if the economy continues to suffer. Nearly three in four business leaders (73%) think investment in access to child care for children ages birth-to-3 would have a positive impact on their business, and 92% support investing more public funds into expanding quality affordable child care for New York families.

The poll, released Tuesday by the Raising NY coalition of parent, early childhood, education, civil rights, business, and health organizations and conducted by Global Strategy Group, underscores the critical need for Congress to urgently enact a new recovery package that provides fiscal relief to states and significant new funding for high-quality child care for infants and toddlers.

In addition, as New York State prepares for the 2021 budget and legislative session, the findings point to the importance of prioritizing access to affordable high-quality child care for infants and toddlers and adopting a clear equity-driven plan for expanding access as the economy recovers.

The poll memo from Global Strategy Group and a summary of poll results can be found at RaisingNY.org/coronavirus.
“The results of the survey highlight a growing problem for employers and employees across New York State,” said Heather C. Briccetti, Esq., president and chief executive officer of The Business Council of New York State and co-chair of Raising NY. “We need to address the issue so that parents aren’t forced out of work due to a lack of child care.”

“The pandemic has really exposed that child care is no longer a personal issue, it is a business issue,” said Christine Sharkey, president of Corning Enterprises. “It affects productivity. It affects our ability to attract and retain talent. Investment in child care is critical not just to support today’s workforce and businesses, but it positions the next generation for success and it makes all the difference for employers like Corning.”

Among key poll findings:

- **Loss in revenue has created additional challenges for business leaders, who are experiencing even heavier financial burdens.** Just 16% of employers said they had difficulty making payroll for their employees prior to the coronavirus pandemic; now it is about half (46%). One in four (27%) business leaders say that they are at risk of closing in the next six months – most alarmingly among business leaders of color (33%) and those in New York City (32%).

- **Resources for quality child care are crucial.** Of those who say their business is at risk, nearly two thirds (65%) say financial assistance to cover child care costs for employees would be very helpful for their business, and this is especially true among employers in New York City (73% very helpful), which was devastated in the early months of the pandemic from both a financial and public health standpoint.

- **Over half of business leaders in New York State are burdened by the lack of access and cost of quality infant and toddler care.** Business leaders find child care a challenge to their business (50%) and for their employees (53%). Business leaders of color and those located in New York City are disproportionately more likely to say lack of access and cost of quality child care is a burden for their business.

- **The lack of access to and cost of quality child care has stark implications for business leaders.** Over a majority of business leaders not only agree that the lack of accessibility and availability of quality care for infants and toddlers negatively impacts their business (58% agree), but also that the high cost of care negatively impacts their ability to retain and hire employees (55% agree).

- **Employee absenteeism due to lack of child care is a problem for business leaders.** Forty-five percent of business leaders cite employee absenteeism and calling-off due to lack of access and availability of child care for infants and toddlers as contributing the most toward loss in revenue. Additionally, 43% of business leaders cite reduced employee productivity and turnover among employees (41%) as significant contributions to revenue loss due to the same reason.

- **Business leaders say that as their state reopens, the demand for child care will not be met – signaling concerns for the future.** More than one in four business leaders (27%) do not think the demand for child care will be met as their state reopens, and this concern is even higher among women employers (32%). Concern over child care further manifests itself in a belief among 65% of business leaders that the lack of access of quality infant and toddler child care will make problems worse for their business as coronavirus cases rise this fall and winter, and the economy continues to suffer.

- **Business leaders support action from federal, state, and local officials to address the lack of access and cost of quality infant and toddler child care.** More than nine in ten business leaders support investments in child care: 92% of business leader support investing more public funds
into expanding quality, affordable child care for New York families, including a majority (55%) who strongly support increased investments.

“The lack of access to and cost of quality child care for infants and toddlers is truly creating barriers for businesses and families across New York State,” said Melodie Baker, co-chair of Raising NY and chair of the Erie-Niagara Birth to 8 Coalition. “Parents should not have to decide between working or staying at home with their children. This system was not set up to adequately support families before the pandemic, and it certainly is not set up to adequately support families during the pandemic. We need a long-term solution to rebuild a system that is stronger and more equitable than before the pandemic.”

“The Early Care & Learning Council and its network of Child Care Resource & Referral agencies have supported NYS businesses throughout the pandemic by locating quality, accessible and affordable child care for essential workers,” said Meredith Menzies Chimento, executive director of the Early Care & Learning Council. “Child care is a critical element of the NY Forward plan as we recover from the pandemic and more parents return to work. Without child care, New York’s businesses will suffer as employees remain distracted or unable to return to the workforce. Quality child care options must be available to support working parents and educate the workforce of the future.”

“The pandemic has laid bare what New York families and employers have long known – that high-quality child care is essential for healthy families and a healthy economy,” said Dede Hill, director of policy for the Schuyler Center for Analysis and Advocacy. “It is time for leaders at every level of government to recognize that child care is a public good, and must be funded as such.”

“Employers clearly recognize the connection between greater public investment in high-quality child care for infants and toddlers and the success of their own business,” said Ian Rosenblum, executive director of The Education Trust–New York. “These findings point to the urgent need for significant federal funding for coronavirus relief, and to the importance of New York State prioritizing affordable high-quality child care for infants and toddlers in its strategy for economic growth.”

Global Strategy Group partnered with the Raising NY coalition to conduct this survey among 600 business leaders in New York State from September 4th to 13th, 2020. The survey had a confidence interval of +/-4.0%. All interviews were conducted via web-based panel. Care has been taken to ensure the geographic and demographic divisions of business leaders are properly represented.

Read the full poll memo and learn more about this issue at RaisingNY.org/coronavirus.

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About Raising NY

Raising NY is a diverse statewide coalition of parent, early childhood, education, civil rights, business, and health organizations dedicated to increasing the number of children who are on track for school readiness. Learn more at RaisingNY.org.