

The Domino Effect of Child Care Closures

When a childcare facility or home provider closes their doors it has a tremendous impact on the economy of the community.



CHILD CARE

PUBLIC AWARENESS CAMPAIGN

Part 1 of 3

Big Stone || Chippewa || Lac qui Parle || Swift || Yellow Medicine

The Upper Minnesota Valley Regional Development Commission (UMVRDC) serves as a community development planning organization offering a wide variety of technical assistance and resources to our local units of government within Swift, Yellow Medicine, Lac qui Parle, Chippewa, and Big Stone Counties. The UMVRDC's annual survey results showed that **"child care accessibility and affordability"** was the region's #1 top issue identified by our local units of government. This campaign showcases how our region has faced childcare challenges and how we can continue to support our local workforce and economy.

The Loss

When the doors close on a child care center, that not only impacts the family who needs to figure out alternative care or is forced to quit their job to provide care for their child/children, but it also has a large impact on employers and the community. When employers have lost employees due to the lack of child care, it has caused businesses to reduce hours and/or close their doors. Those closed businesses are a burden to the entire community and the local economy - it is a domino effect, continuing to be the top issue in our region, state, and nationwide.

545 loss of child care providers

There has been a loss of 545 family childcare providers from January 2021 to January 2022

16% loss during pandemic

The number of licensed family child care providers during the pandemic has decreased by 16 percent or 1,290 providers.

14% loss in 3 years pre-pandemic

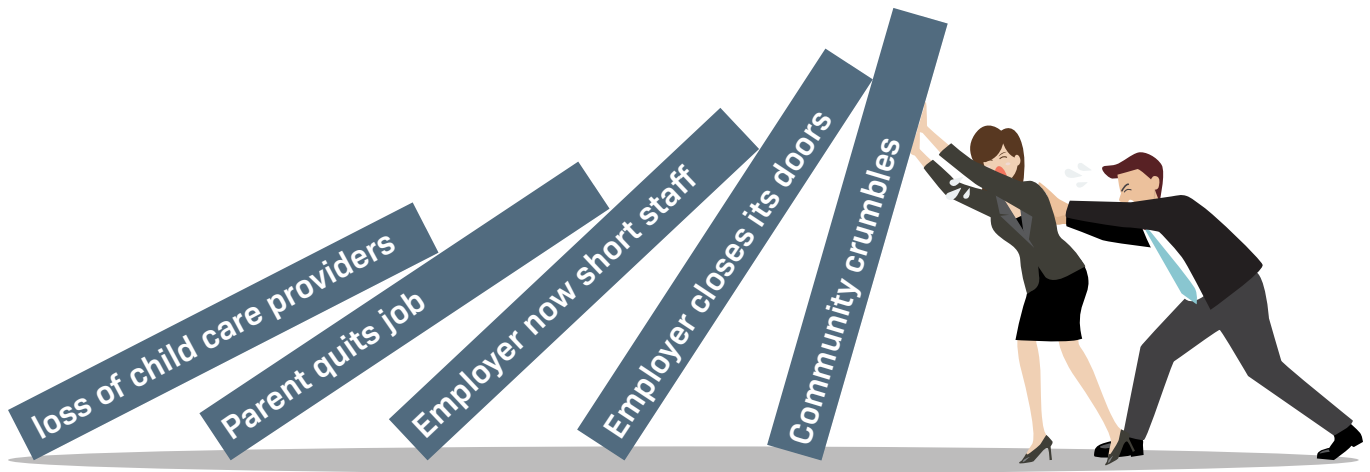
The number of licensed family child care providers decreased 14 percent or 1,279 programs in the three years before the pandemic, from 9,211 in 2016 to 7,932 in 2019.

*MBVC, Child Care Business
Supports Working Group*



“ The availability of child care is a business issue with deep ramifications for our economy, our workforce, and our communities, The lack of reliable child care has a massive impact on our workforce. ”

**DEED Commissioner
Steve Grove.**



The Domino Effect

Why are child care facilities' doors continuing to close around the state? Former family child care providers in Minnesota listed lack of benefits, difficulty keeping up with regulations, and long hours as some of the factors that strongly influenced their decision to shut down in a 2019 survey. Another contributing factor is difficulty filling positions due to low wages.

A recent study shows family child care closures hit rural areas the hardest. The 6W region, comprised of Big Stone, Swift, Lac qui Parle, Chippewa, and Yellow Medicine counties has 6 child care centers. If those centers were nonexistent, hypothetically that impacts on average 492 children, estimated 250+ families, which could result in a loss of 250 + employers in the region. **With that, the child care need in UMRVDC 6W's Region still remains high - see below.**

30% of parents withdrew from workforce or declined employment due to child care arrangement (RCCIP Community Surveys)

“If employees can’t find quality care for their children, they won’t work for you. They won’t move to your community, or they’ll be forced to move away, or they might have to consider quitting their job to stay home with their children because they have no other option.” - Kris Bevell, Editor, Prairie Business Magazine

Child care continues and will continue to be a critical issue for our region, along with our state and nation. There is no perfect model for the child care structure, but we must continue to support, gather resources, seek opportunities, and educate families, residents, and providers about the effort our region is taking to continue

to keep our local economy going in the right direction.

Realizing the importance of child care for our region, the UMRVDC continues to collect and share case studies, funding opportunities, and resources for providers to ensure a bright future for their facility, business and the community.

Follow the UMRVDC on Facebook or visit our website for child care resources, updates, case studies, funding opportunities, and more.

<https://umvrdc.org/childcare-case-studies/>

- 11** Swift County
- 56** Big Stone County
- 59** Lac qui Parle County

- 199** Yellow Medicine County
- 223** Chippewa County

(based on FCF 2021 Child care need summary)