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The Montana Child Care Profile



2003 - 2004

A compilation of data about
child care in Montana

Produced by the Montana Child Care
Resource & Referral Network



Funded by a Best Beginnings Grant from
the 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.

Mothers have joined the workforce and fewer parents can afford to stay home with their small children.

Child care is expensive. One year of full-time care costs more than a year's tuition and fees at a state university. Low income families use an enormous portion of their earnings to pay for child care.

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.

Meanwhile, child care remains one of the lowest-paid professions in the state. Caregivers often leave the field to seek higher pay and benefits. In 2004, Montana child care centers lost assistant teachers at a rate of 50%. A 2002 study of home-based child care businesses in three western Montana counties showed a loss of 25% of facilities in one year.

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.

Montana's Children ¹

Total number of residents in Montana	917,621
% growth in population 2000-2003	1.5%
Children under 5 as % of population	6%
Children under 18 as % of population	24%
% households with children	33%
% children living in single-parent families	25%
Total number of children under 18	215,774
Total number of children ages 5-14	120,373
Total number of children ages 0-4	53,510
Estimated poverty rate	16%
% children ages 0-17 living in poverty	19%
% children under 5 living in poverty	26%

Working Parents Need Child Care ²

% children under 6 with working parents	65%
% children ages 6-17 with working parents	74%
% children living in low-income working families	26%

Child Care Is Expensive

Market rate for one year of full-time, regulated care ³	
for an infant, up to 24 months	\$6,500
for a toddler, 2-3 years	\$5,720
for a preschool child, 3-4 years	\$5,720
for a school-age child, 5+ years ⁴	\$3,952

Child Care Workers Are Underpaid

Salary of child care worker ⁵	\$17,630
Salary of preschool teacher ⁵	\$18,730
Salary of public elementary school teacher ⁵	\$34,200

¹ U.S. Census Bureau, 2004

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

³ At 75th Percentile, Montana Department of Public Health and Human Services, FY04

⁴ Four hours/day – before/after school

⁵ Statewide averages, U.S. Department of Labor, 2003

Child Care Need and Capacity in Montana

Parents Need Child Care

Type of care requested by parents¹

Infant/toddler care (under 3 yrs)	55%
Preschool care (3-4 yrs)	19%
School-age care (5+ yrs)	26%

Schedules requested by parents

Full-time care	80%
Part-time care	16%
Both full-time and part-time care	4%

Special schedules requested by parents

Before/after school	15%
Rotating/flexible hours	5%

Requests for non-traditional hours

Weekend care	18%
Evening/overnight care	5%

Child Care Is Hard to Find

Total Regulated Capacity³	21,072
Total Infant Capacity	5,160
Total Vacancies	2,661
Total Infant Vacancies	1,216

Total Facilities	1,362
Child care centers	262
Group child care homes	465
Family child care homes	635

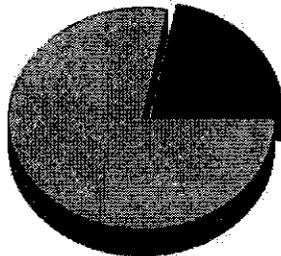
Facilities offering care during non-traditional hours

Evening care	6%
Overnight care	5%
Weekend care	8%

Child Care Payment Assistance⁴

Children served	9,843
Families served	5,810
% eligible children served nationally	11%
Dollars spent	\$14,322,000
Spending generated in local communities ⁶	\$22,915,000

Montana's regulated child care supply meets only 24% of the estimated need. There are over 4 times more children, ages birth-12, with working parents than regulated child care capacity.



Regulated Child Care Capacity = 21,072 slots	
Infant care (0-24 months)	5,160 children
School-age care (5+ yrs)	11,671 children
Children Unserved in Child Care = 74,273	
Total children needing child care ²	95,345

- ¹ Percentage may total more than 100% because, in some categories, more than one type of care is requested
- ² Number of children with working parents
- ³ Within 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
- ⁴ Montana Department of Public Health and Human Services, FY03
- ⁵ Eligibility is set at 150% of federal poverty, or 51% of state median income
- ⁶ Montana Department of Labor and Industry, 2003

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.**
School-age care programs statewide have the capacity to serve just 14% of school-age children with working parents. Families need more options for out-of-school time care.
- Although we have seen slight growth in child care capacity statewide, the number of child care facilities has declined.**
This indicates an increase in centers and decline in family child care homes, which will prove detrimental to very small rural communities and to families who need the flexible scheduling that home-based child care businesses can provide.
- Few facilities offer evening, weekend or overnight care.**
Statewide, only 6% of facilities offer evening care, 9% offer weekend care, and 6% 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 child care businesses.

What the Data Doesn't Show

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

How much child care is really available?

Assessments of capacity assume 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?

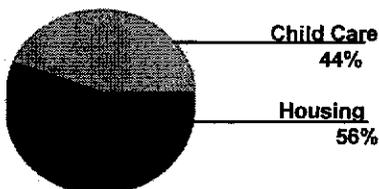
Hundreds of Montana families rely on unregulated care provided by family, friends, or neighbors. The state recognizes a category of home-based care called *legally-unregistered providers*. Some parents find this care more convenient or flexible; others may choose it because of cost or quality considerations.

How much capacity is lost in a year?

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 skills. Improved training and compensation enhance caregiver job satisfaction and longevity.

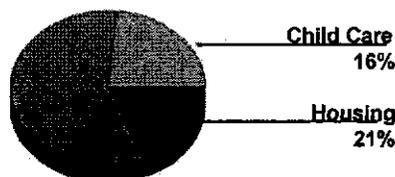
Portion of Income Needed to Pay for Housing and One Infant in Regulated Center

For a Family at Minimum Wage
(without subsidies)



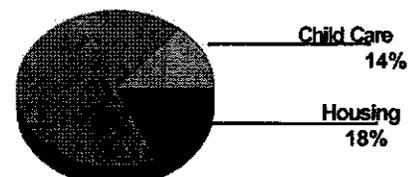
Minimum wage = \$10, 712/year

For a Low Income Family



Low income = \$24,897 or less¹

For a Family at Median Income



State median income = \$29,290/year

¹ Low income defined as 85% of state median income

