



FACT SHEET

Black women struggled to afford reliable, quality child care even before the pandemic.

Between 2014 and 2018, nearly one in four (22 percent) Black women in the U.S. lived in poverty, and Black mothers are only paid 50 cents of every dollar paid to white fathers. Moreover, Black women are more likely than white women to be the primary breadwinners for their families, which impacts their ability to build wealth and savings. Black child care workers—who make up 19 percent of the child care workforce¹—also face stark disparities: Black workers face 50 percent higher poverty rates compared to other women in the child care workforce and earn an average of \$0.78 less per hour than white child care workers.

The COVID-19 pandemic has further undermined the financial security and well-being of Black women and their families. The pandemic has caused lingering job shortages in the child care industry, which disproportionately impacts Black workers. Additionally, Black women still face high rates of unemployment, even as the overall unemployment rate has dropped.

It doesn't have to be this way. **Building a system of high-quality, affordable child care for all will help Black mothers and their families today and over the course of their lifetimes.**

A LIFETIME'S WORTH OF BENEFITS:

How Affordable, High-Quality Child Care Will Benefit Black Women's Lifetime Earnings and Retirement Security

A Lifetime's Worth of Benefits

examines and quantifies the impact that child care for all could have on women's lifetime earnings and retirement security, underscoring just how much Black women and their families have to gain when we recognize and invest in child care as a public good.

OUR NEW RESEARCH SHOWS THAT:

- 1 Expanding access to affordable, high-quality child care could narrow the gender earnings gap,² especially for Black women. All groups of Black women will benefit, but the numbers are most dramatic for Black women without a high school degree, who could see a 25 percent reduction in the earnings gap between themselves and white men. (See the figure below.)
- 2 Providing high-quality, affordable child care for all will result in a lifetime net increase in income of over \$100,000 for the average Black mother. For Black mothers in deep poverty, child care reform will result in a lifetime net increase in income of \$108,000.
- 3 Black women who have sought higher education have the highest student loan debt of any group. Child care for all will provide access to additional income over a lifetime, allowing Black mothers to save money earlier, pay off debt, and build wealth.

- 4 By retirement, the average Black women will accrue an additional \$13,000 in Social Security benefits over her lifetime as a result of child care reform (compared to \$8,000 for white women).

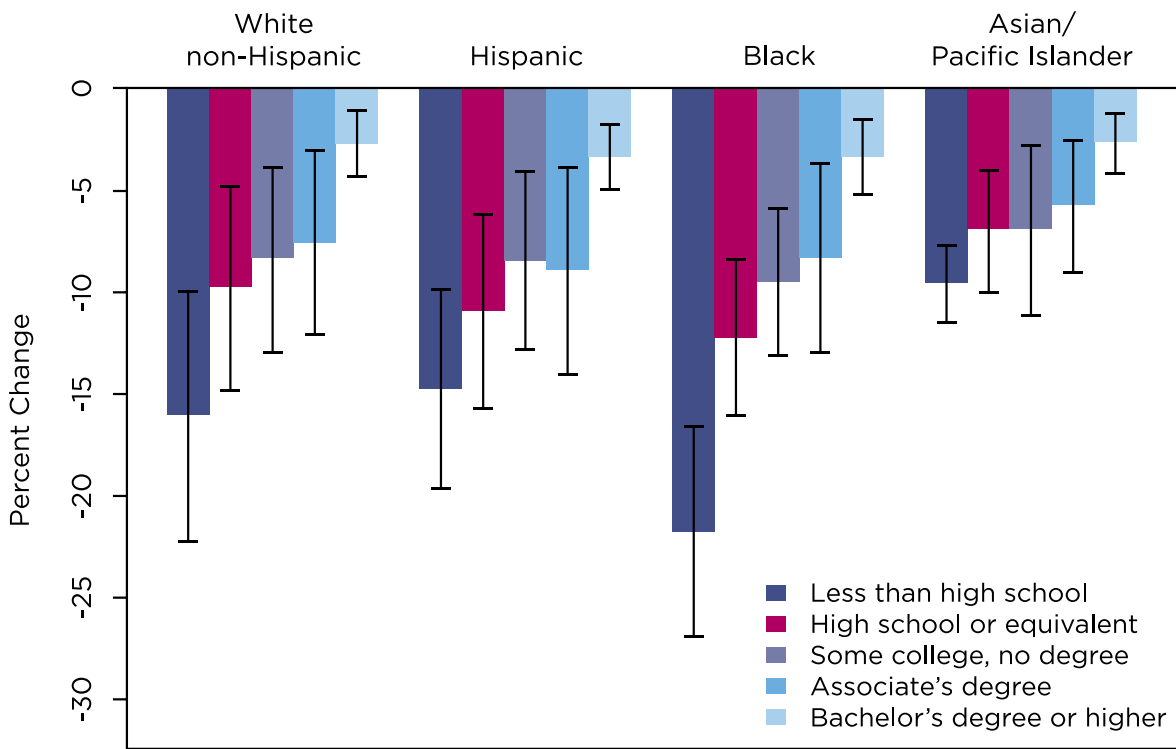
- 5 The policy would begin to reverse the history of undervaluing women's caregiving responsibilities by significantly improving the economic and retirement security of child care workers. Black child care workers specifically would experience a 22 percent wage increase.

¹ Claire Ewing-Nelson, Nat'l Women's Law Ctr., *One in Five Child Care Jobs Have Been Lost Since February, and Women Are Paying the Price* (August 2020), <https://nwlc.org/wp-content/uploads/2020/08/ChildCareWorkersFS.pdf>.

² When discussing the gap between what men and women are paid, policymakers most often refer to the wage gap because this measure is most suited for comparing pay for similar work. However, it is more useful to use the unconditional earnings gap in the context of child care reform because this measure includes workers who have parttime or zero earnings. Women take on a disproportionate share of family care responsibilities, which impacts how many women can work FTFY to begin with.



Reduction in the Gender Earnings Gap for Adults Ages 25 to 84 With Children Under Age 13, By Race/Ethnicity and Educational Attainment



Investing in high-quality, affordable child care is critical to reducing the racial and gender inequities that undermine Black women’s economic security. This policy would help more Black women enter the workforce and boost Black child care workers’ wages in the short-term, while helping to build long-term financial stability for Black women and their families over the course of their lives.

The full report, *“A Lifetime’s Worth of Benefits: The Effects of Affordable, High-Quality Child Care on Family Income, the Gender Earnings Gap, and Women’s Retirement Security”* is available at <https://nwlc.org/resources/a-lifetimes-worth-of-benefits-the-effects-of-affordable-high-quality-child-care-on-family-income-the-gender-earnings-gap-and-womens-retirement-security/>.



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