



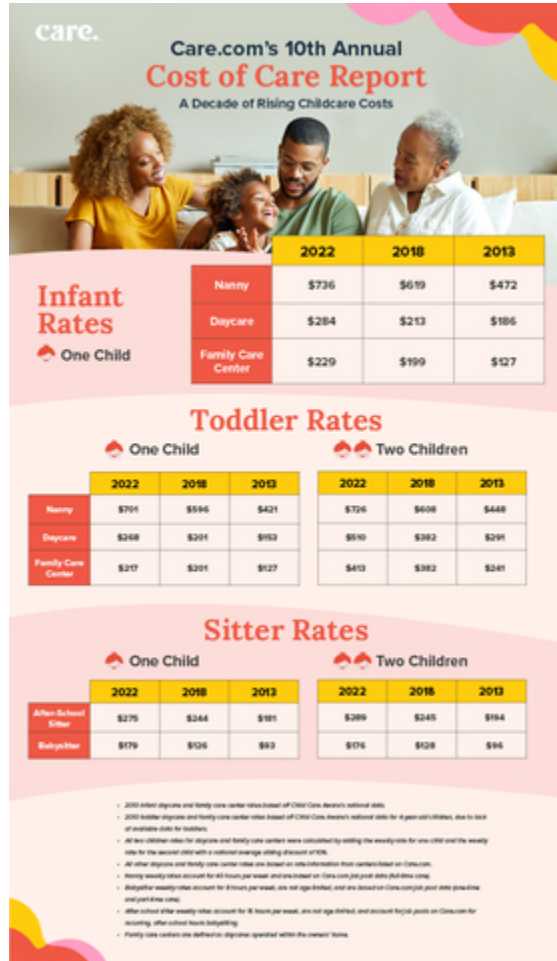
New Care.com Report Reveals Soaring Childcare Costs Are Crippling Majority of American Families

June 13, 2023

– Both Single and Married Working Parents Spend on Average in Excess of 20% of Household Income on Childcare –

AUSTIN, Texas--(BUSINESS WIRE)--Jun. 13, 2023-- [Care.com's 2023 Cost of Care Report](#) found that parents spend 27% of their household income (HHI) on average on childcare, up from 24% just a year ago and nearly four times the amount deemed affordable by the U.S. Department of Health and Human Services (7%). The research also found that the majority of parents (59%) expect to spend more than \$18,000 on childcare in 2023, nearly double the cost of [in-state college tuition](#).

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20230613495283/en/>



The report comprises survey results of 3,000 parents and a decade of childcare cost data. It reveals an imploding post-pandemic childcare landscape for U.S. households with children, or [40% of the total U.S. population](#). Lengthy and costly daycare waitlists along with sky-high childcare prices continue to have a major impact on how families juggle care, participate in the workforce, and manage their household finances.

“America’s childcare crisis is just that: a crisis for the entire country and it impacts us all, whether you have children or not,” said Tim Allen, CEO, Care.com. “Childcare is claiming a disproportionate amount of household incomes and a decade of rising childcare costs should be a wakeup call that the system as we know it completely fails the vast majority of families.”

Natalie Mayslich, President, Consumer for Care.com added, “So much is discussed about the staggering college debt families incur. What does it say about our system that a year of childcare for more than half of American families is actually double the cost of in-state college tuition?”

Highlights from the 2023 Cost of Care Report:

A Decade of Rising Weekly Costs*:

- **Nanny:** \$736 (up 56% from \$472 in 2013)
- **Daycare:** \$284 (up 53% from \$186 in 2013)
- **Family Care Center:** \$229 (up 80% from \$127 in 2013)
- **Babysitter:** \$179 (up 92% from \$93 in 2013)

* infant rates except for babysitter, which is not age limited. Rates for toddlers, after school sitters, as well as multiple children, can be found within [the report](#).

Childcare Costs Continue to Soar:

- Parents are spending increasingly more of their earnings on childcare:
 - 67% spend 20% or more of their annual HHI on childcare (up from 51% in 2022).
 - 89% spend 10% or more of their annual HHI on childcare (up from 72% in 2022).
- On average, families spend 27% of their HHI on childcare with the majority of parents (59%) planning to spend more than \$18,000 on childcare this year.
 - With a national [family median household income of \\$91K](#), childcare costs for the typical American family are even more staggering:
 - 45% of families earning less than \$100K annually will spend more than \$18,000 on childcare in 2023, amounting to 18% of their HHI;
 - 43% of families earning less than \$75K will spend more than \$18,000, amounting to 24% of their HHI; and
 - 39% of families earning less than \$50K per year will spend more than \$18,000, amounting to a whopping 36% of their HHI.

The Daycare Dilemma:

- Three in four parents (75%) estimate that there are fewer than half a dozen daycare centers within a 20-minute drive of

their home. Additionally, 64% have been waitlisted for daycare with nearly half (49%) waiting longer than three months to get a spot.

- Beyond the inconvenience, waiting proves costly with 68% spending an additional \$200 or more on care each week (or \$2,400+) throughout the duration of the wait.

Childcare Villages Are Changing:

- Parents now rely equally on daycare centers and nannies (each 30%), as compared to last year when daycares were used more frequently (31% vs. 22%). The shift reflects the changing nature of work for parents who now need more flexibility.
- In fact, 45% use childcare in sporadic, nontraditional hours, such as 10am to 1pm. The desire for flexible care solutions is further reflected by the fact that, if both cost and availability were no object, parents would choose a nanny (37%) over daycare (35%).

Childcare's Impact on Families

Family Type	Work Type	Top Childcare Arrangement	Preferred Childcare Arrangement	Percent (%) Spending More Than \$18K on Childcare in 2023	Avg. Percent (%) of HHI Spent on Childcare
Single Moms	Hourly	Daycare (35%)	Daycare (30%)	48%	28%
	Salaried	Daycare (66%)	Daycare (64%)	80%	28%
Single Dads	Hourly	Paid Family (33%)	Paid Friends/Nanny (31%)	49%	31%
	Salaried	Paid Friends (33%)	Nanny (29%)	47%	23%
Married Moms	Hourly	Paid Family (40%)	Nanny (40%)	64%	31%
	Salaried	Daycare (32%)	Nanny (37%)	63%	26%
Married Dads	Hourly	Paid Friends (35%)	Nanny (33%)	59%	28%
	Salaried	Nanny (36%)	Daycare (43%)	61%	22%

Top 5 Most Expensive States for Childcare

Top 5 most expensive states to hire a nanny:		Top 5 most expensive states to hire a babysitter:		Top 5 most expensive states for daycare (infants):	
State	Weekly Rate	State	Weekly Rate	State	Weekly Rate
Washington D.C.	\$885	Washington D.C.	\$194	Washington D.C.	\$417
Massachusetts	\$864	Hawaii	\$189	Massachusetts	\$326
California	\$849	Massachusetts	\$189	Washington	\$310
Washington	\$838	Washington	\$188	California	\$288
Connecticut	\$799	California	\$188	Connecticut	\$260

Along with the report, Care.com released a new childcare [cost calculator](#) for families to estimate hourly rates for in-home care in their city.

The full results of the **2023 Cost of Care Report** can be found [here](#) and access to graphics displaying the data can be made available upon request.

2023 Cost of Care Report Methodology

This sample of 3,000 U.S. adults was surveyed on April 25, 2023 and April 27, 2023. All respondents are parents of children 14 years or younger and currently pay for professional childcare, confirmed by both consumer-matched data and self-confirmation. Audience quotas were set to obtain a statistically significant sample of customized geographic regions. DKC Analytics conducted and analyzed this survey with a sample procured using the Pollfish survey delivery platform, which delivers online surveys globally through mobile apps and the mobile web along with the desktop web. No post-stratification has been applied to the results.

Weekly rates for nanny, babysitter and after-school sitter are based on 2022 advertised rates on Care.com. All daycare and family center rates are based on rate information from centers listed on Care.com, except for 2013 rates, where daycare and family care center rates for infants and toddlers are based on Child Care Aware's national data.

About Care.com

Available in more than 17 countries, Care.com is the largest online platform for finding and managing high-quality family care. Care.com is designed to meet the evolving needs of today's families and caregivers, offering everything from household tax and payroll services and customized corporate benefits packages covering the care needs of working families, to innovating new ways for caregivers to book jobs. Since 2007, families have relied on Care.com's products—from child and elder care to pet care and home care. Care.com is an IAC company (NASDAQ: IAC).

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