

The report "**Untapped Potential: How Childcare Impacts Indiana's Workforce Productivity and the State's Economy**" explores the economic and social consequences of inadequate childcare in Indiana. Here are the **main points**:

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### Key Findings

- **\$4.22 billion** is lost annually in Indiana due to childcare-related workforce disruptions.
    - **\$3.05 billion** in employer costs (absenteeism and turnover).
    - **\$1.17 billion** in lost state tax revenue.
  - **57%** of parents missed work or class in the past 3 months due to childcare issues.
  - **40%** of parents who experienced employment disruptions left the workforce due to childcare.
  - Only **61%** of children needing care can be served by current childcare capacity.
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### Childcare Landscape in Indiana

- Average annual cost of full-time childcare: **\$8,000+**.
  - Only **56%** of demand is met by the state's 4,195 regulated providers.
  - **Affordability** is the top factor in choosing childcare, especially for low-income families.
  - **66%** of families pay out of pocket; subsidies and tax credits are underutilized.
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### Impact on Families

- **27%** of parents experienced employment changes due to childcare issues.
  - **30%** of parents pursuing education or training had their studies disrupted.
  - Low-income and female parents are disproportionately affected.
  - Parents often reduce hours, decline promotions, or leave jobs entirely.
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### Employer and Economic Impacts

- **\$906 million** in absenteeism costs.
  - **\$2.14 billion** in turnover costs.
  - Employers face reduced productivity and increased hiring/training expenses.
  - Lack of childcare limits the available talent pool and economic growth.
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## Survey Insights

- Survey of **609 Indiana parents** with children under 6.
  - High-income families report greater satisfaction and access to preferred care.
  - Parents value **flexibility, remote work**, and **affordable, quality care**.
  - **73%** of working parents adjusted their work schedules due to childcare needs.
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## Long-Term Effects

- Parents who leave education due to childcare often delay return by a year or more.
  - Only **13%** of students who drop out re-enroll.
  - Women face higher opportunity costs and are more likely to leave the workforce.
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## Policy and Business Recommendations

- Expand access to affordable, high-quality childcare.
  - Encourage employer-supported childcare benefits (e.g., on-site care, flexible hours).
  - Strengthen public-private partnerships to address systemic gaps.
  - Recognize childcare as essential economic infrastructure.
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