



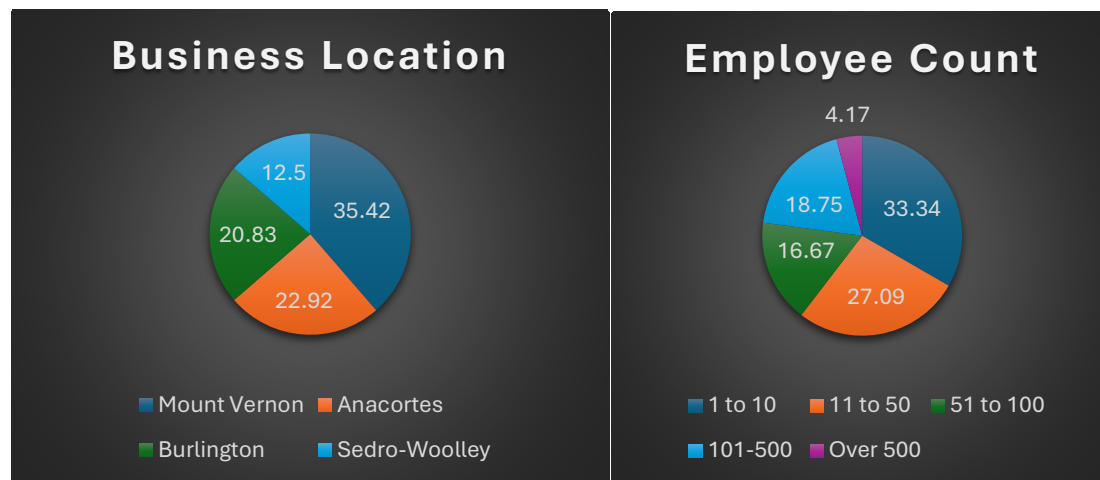
Summary Report: Childcare Impacts on Skagit Employers Survey Results

**Presented by the Economic Development Alliance
of Skagit County February 2025**



Introduction

The Economic Development Alliance of Skagit County (EDASC) conducted a survey during the summer of 2024 to assess the impact childcare challenges have on local businesses. This survey aimed to understand how these challenges influence workforce dynamics and retention, as well as employer readiness to implement supportive family-friendly workplace policies and benefits. EDASC received 48 responses to its survey, which was conducted online and shared widely across EDASC's networks. The location of respondents was well distributed, mirroring the population sizes of cities and towns. Respondents also represented a diverse range of sectors and sizes.



Industry respondents included agriculture, forestry, fishing and hunting (2%), public administration (4%), construction (4%), accommodation and food services (4%), information (4%), professional, scientific and technical services (6%), manufacturing (8%), retail trade (10%), educational services (10%), finance and insurance (12.5%), and healthcare and social assistance (14.5%).

Background

Lack of access to early learning and childcare is a significant issue in Skagit County, the state, and country. Only 14.8% of the childcare and early learning need (infants to 12 years old) is met in Skagit County, according to the State Department of Children, Youth and Families. Alarming, Skagit County ranks second to last in the state for childcare cost as a share of median household income at 21.9%.

Childcare and early learning may be too expensive and sparse in Skagit County, according to this data.

From an economic development perspective, childcare is an urgent workforce issue. A lack of access to early learning and childcare reduces workforce participation as many parents, especially mothers, reduce work hours or leave employment entirely. This creates a limited talent pool and increased recruitment costs for businesses. Productivity suffers due to absenteeism and reduced

focus from employees concerned about their children's care. Additionally, companies face financial strain in providing childcare benefits to retain employees. Long-term, this lack of access contributes to future skills gaps and weakens economic growth by limiting full workforce participation and economic contribution.

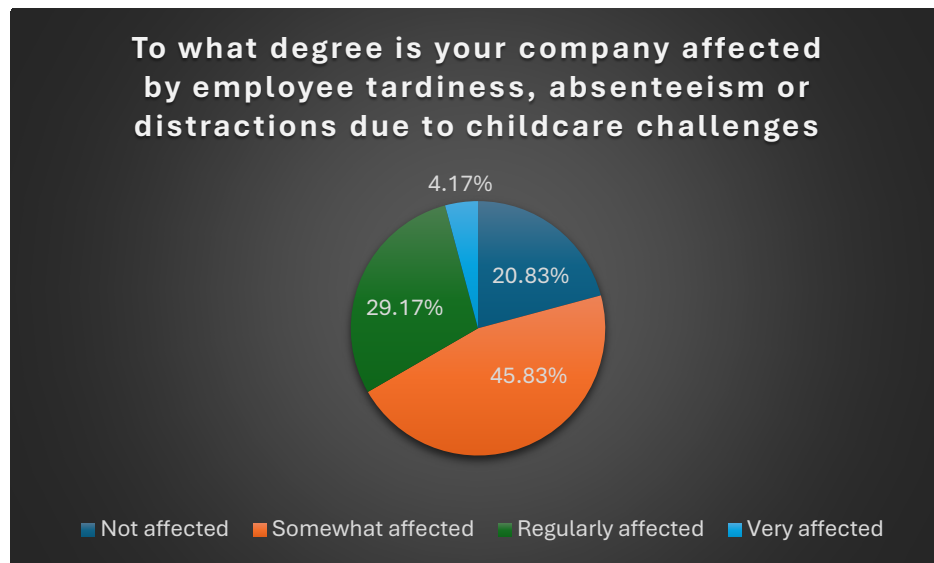
For over a year, EDASC has worked with partners to address childcare's impact on the workforce. Partners included the Center for Retention and Expansion of Child Care, which works to sustain, strengthen and grow childcare; and the State Department of Commerce's Family-Friendly Workplaces Program, which provides technical assistance supporting employers in becoming family-friendly. EDASC also partners with the Northwest Educational Service District 189 and the Northwest Career and Technical Academy on early learning initiatives.

We'd like to share one recent success before moving onto the survey findings. Due to EDASC's involvement in early learning and childcare, the Family-Friendly Workplaces Program chose Skagit County to host its pilot Employer Cohort Program, designed for businesses ready to engage and expand their company's workforce solutions to better recruit and retain those with family care needs. EDASC served as the primary host organization and dedicated staff time to be part of the training team. Leveraging EDASC's Investor and community networks, we reached employers who were interested in this opportunity. Due to high demand, the three-month program launched over capacity. Objectives of the results-oriented program included assessing each company's workforce care needs and current policies and practices, evaluating the feasibility and ROI of family-friendly workforce solutions, and developing measurable action plans. Information from the cohort will be shared later.

Key Survey Findings:

1. Workforce Impact:

- A significant number of businesses reported challenges related to childcare. **42%** said it affected retention and hiring, and **79%** said it affected tardiness, absenteeism, and caused distractions.
- This impact is most evident in industries where flexible scheduling or telework is less feasible.



2. Existing Childcare Benefits:

- The majority of respondents currently do not offer formal childcare benefits (**66%**). A few businesses provide **Dependent Care Flexible Spending Accounts** and occasional flexibility, but structured childcare solutions are rare.
- Family-friendly policies like **time off for medical appointments, flexible hours,** and **part-time work options** were more commonly implemented.

3. Employer Barriers to Offering Childcare Support:

- The primary barriers identified include:
 - **Financial Constraints:** Most businesses (**65%**) cite costs as a significant impediment to implementing childcare solutions.
 - **Infrastructure Limitations:** Smaller businesses struggle with the lack of space and resources (**34%**) to provide onsite or near-site childcare facilities.

- **Knowledge Gap:** Businesses reported a lack of awareness about potential childcare solutions **(33%)** and resources available to support family-friendly workplaces.

4. Interest in Future Benefits:

- If barriers were removed, many businesses expressed interest in providing:
 - **Near-site childcare (44%)** and **discounts for childcare services (50%).**
 - **Emergency or backup childcare (29%)** options to mitigate unexpected school closures or caregiver unavailability.
- A few businesses mentioned an interest in employer-subsidized childcare options or more structured childcare referrals.

5. Awareness of Support Programs:

- Most businesses had not heard of state or local programs like **Family-Friendly Workplaces Washington** or the **Center for Retention & Expansion of Child Care**, which provide technical assistance and programming to address care needs.
- However, there was interest in learning more about these programs and participating in cohort training to better understand childcare solutions that could benefit their workforce. The results of the survey led to Family-Friend Workplaces Washington (a program of the State Dept. of Commerce), bringing its cohort training program to Skagit County. EDASC continues to work with Commerce to provide ongoing support through the program Family-Friendly Workplace Community of Practice.

Conclusion and Recommendations:

The survey highlights that while childcare challenges significantly impact many businesses in Skagit County, financial and structural barriers limit the ability of businesses to offer support. To address this, we recommend

- **Increased Awareness and Education:** EDASC and its partners should focus on raising awareness about available local and state resources and support programs.
- **Financial Support and Grants:** Participate in advocacy efforts to support solutions for providing financial assistance or incentives to employers that could help businesses overcome cost barriers and implement essential childcare solutions.
- **Employer Cohorts, Training and Community of Practice:** Continue to host or create employer cohorts to facilitate shared learning and help businesses implement scalable childcare solutions tailored to their needs. Our strategic partnership with the WA Commerce Family-Friendly Workplaces Program resulted in significant interest as well as

excellent participant evaluation and feedback. The employer participants are continuing their efforts and collaboration in an ongoing community of practice.

This report underscores the importance of collaborative efforts between businesses, local agencies, and state programs to continue developing sustainable childcare and early learning solutions that benefit the workforce and the broader community.