OREGON BUSINESS ASSOCIATION



200 SW Market Street, Suite L100 Portland, Oregon 97201 Ph: 503-641-0990 Fax: 503-641-0959 oba@oba-online.org www.oba-online.org

The Oregon Business Association supports expanding the Employment Related Day Care (ERDC) program in House Bill 2015.

The Oregon Business Association (OBA) has established "Build the Middle Class" as one of its priorities for the 2015 legislative session. One of the major impediments for working families to reach the middle class is the rising cost of quality child care. The Employment Related Day Care (ERDC) program helps low income working families' access and afford quality child care.

Oregon businesses rely on a wide system of services to ensure efficient operation – electricity, telecommunications, our roads, are just a few examples. A less discussed but equally important piece of our economic infrastructure is child care. More and more families rely on child care to maintain employment and financial stability. Employers also benefit when employees have reliable child care: employers experience less absenteeism and increased retention and productivity. A 2004 study showed that absences due to lack of stable child care cost employers \$3 billion nationally.¹

Overall, Oregon's economy is impacted significantly by the availability of child care. It is estimated that child care supports the functioning of 8% of Oregon's economy. Working parents who utilize child care earn an estimated \$4.3 billion annually. When factoring in the jobs sustained by these parents' spending and that of child care businesses, it is estimated that the child care sector supports a total of \$8.4 billion annually in income and wages.

Thus, to address this need for affordable, quality child care, the OBA supports House Bill 2015 that will expand the ERDC program to support working families struggling with the cost of child care. Working parents are much more productive when their children receive quality care that promotes positive development.

The OBA urges a YES vote to expand ERDC in House Bill 2015.

³ Ibid.

Contact:

¹ Karen Shellenback, "Child Care & Parent Productivity: Making the Business Case," Linking Economic Development and Child Care Research Project, Cornell University, 2004.

² "The Economic Impact of Oregon's Child Care Industry: 2010 Edition," Oregon Employment Department.