

Testimony of Landis Larson, ND AFL-CIO President
In Support of SB 2301
March 7, 2023

Chairperson Louser and members of Industry, Business and Labor:

My name is Landis Larson, President of the North Dakota AFL-CIO. The North Dakota AFL-CIO is the federation of labor unions in North Dakota, representing the interests of all working people in our state.

I am testifying on behalf of the North Dakota AFL-CIO in support of Senate Bill 2301. As a member of the North Dakota Workforce Development committee, child care has been a perennial topic of discussion and one that impacts working families deeply. We have an opportunity with SB 2301 to take a major step forward in finding a solution to the root problem: low wages.

We all know that there is a shortage of quality, affordable child care. We also know that a primary driver of this shortage of child care is that we also have a shortage of people who want to work in child care. We also know that we are not going to fix the shortage of people who want to work in child care until we address the wage issue.

Median wages for child care workers in North Dakota are around \$11.19 per hour, often without any benefits. The lowest paid child care workers in the state (bottom 10%) make just \$8.86 per hour and the highest paid workers (top 10%) make \$14.63 per hour. These wages are not competitive with other options in the labor market. It will be impossible to grow our child care workforce to meet the needs of our general economy.

We are at a critical point in our economic development as a state and our actions now will determine how successful we are at meeting our workforce needs in the future. Federal pandemic assistance is running out. Child care providers are at a breaking point. Parents are at a breaking point. No one can afford to pay more for child care, but if we don't raise the industry wages, we will continue to have a child care deficit because there will not be enough staff to keep centers open.

According to the North Dakota Labor Market Information Cost of Living Calculator, a North Dakota child care worker would have to earn \$21 to make ends meet. Anecdotally, you can look around most towns in ND and find employers hiring for similar wages. Until we can raise the

level of childcare wages to meet a competitive, living wage, we will continue to see closures and shortages.

North Dakota has an opportunity to be a leader in solving the child care crisis by investing in child care workers. While we support this bill, we also think it doesn't go nearly far enough: we need an investment of at least \$150 Million per year for this fund to raise industry wages to competitive levels.

Child care workers do our communities' most important work. We owe them the dignity and respect they deserve, and that comes with being able to provide for themselves and their families, making a career out of one of the most vital professions.

We recommend a Do Pass on SB 2301.

Landis Larson, President
North Dakota AFL-CIO