naeyc® National Association for the Education of Young Children

An Unsustainable Status Quo

We All Bear the Burdens of an Underfunded System

February 2025

"I have made a difference in the lives of so many children. However, my job is deemed irrelevant and not valuable within our society. I am exhausted and cannot continue on this treadmill of indifference to children and their families." —Early childhood educator, Wisconsin

In January 2025, more than 10,000 early childhood educators from all states and settings – including large and small centers, family child care homes, faith-based programs, Head Start, and public school preschool programs – responded to a new early childhood education (ECE) workforce survey from NAEYC. The survey results and accompanying stories clearly illustrate how insufficient public investment in our ECE system burdens educators across all settings and the families they serve; and how those shared burdens threaten to further reduce our already insufficient supply of quality child care and early learning programs.

Key findings indicate that:

- It's increasingly expensive to run child care and early learning programs.
- Families need child care, but can't afford rising costs.
- Educators want to work, but can't afford to accept low wages.
- Educators who do stay are facing increased burnout.
- Respondents know of more child care programs that are closing than are opening in their communities.

The findings of this survey are consistent with what educators have reported in our previous **ECE workforce surveys**, and shine a clear light on the ways policymakers have failed to make the investments needed to support families, educators, and our broader society.

Yet policymakers at all levels of government can take action to reverse this unacceptable status quo.

- Congress is considering major budget legislation that could lead to harmful cuts that exacerbate the challenges families and educators face. They should instead invest in programs and supports that build up our supply of quality child care, raise educator wages, and help families afford the care they need.
- State and local policymakers similarly have opportunities to build on what we know works. For example, our survey results continue to illustrate that respondents working in states that have invested significant public dollars in ECE more often report that their program raised wages (62%)[1], compared to those in states who have not invested as much (57%)[2], while not reporting tuition increases for families any more frequently.

Both the challenges posed by our existing system and the solutions remain clear. Public funding works but is insufficient to meet the needs of the system, so policymakers at all levels need to prioritize robust, sustainable investments in early childhood education and educators to ensure that programs across the country can meet the needs of families, young children and our broader economy.

"It's exhausting with not much compensation or respect for what we are doing. Child care is a market failure, and requires government intervention."
—Child care program director, Maryland

> *"The financial struggles, coupled with burnout, anxiety, and depression, make it difficult to sustain my passion for teaching. The compensation often doesn't reflect the immense time, effort, and emotional labor that goes into nurturing children and supporting their development. This disparity can lead to feelings of undervaluation, which is hard to ignore when basic needs like housing and education are not being met."* —Early childhood educator, Utah.

Rising Costs for Programs = Rising Costs for Families

When we last surveyed the field in January 2024, it was clear that in the wake of the expiration of relief funding, programs were struggling with the rising costs of operations and were forced into a position of having to swallow those costs, or pass them on to families. Both of those negative trends seem to have continued in the last year. Among program administrators[3] who responded to our survey:

- 32% reported paying more for rent
- 45% reported paying more for property insurance
- 46% reported paying more for liability insurance

The rising cost of insurance was significantly more challenging for respondents working in family child care programs, with 50% reporting paying more for liability insurance and 62% reporting paying more for property insurance. At the same time, more than half of program administrators (55%) overall reported they had to raise tuition in the last year, though only one-third (34%) of those working in family child care settings reported doing so.

> *"I have had the same children in my program for years. It's hard to make increases in tuition because I've had these kids for so long – I don't want to lose them because the parents don't want to pay any more."* —Family child care owner, Maine
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> *"Affordability is an issue for families, but we needed to increase tuition, due to increase in staffing wages."* —Child care program director, Nebraska

A Mismatch Between Supply and Demand

The supply of quality child care does not match families' demand for it. NAEYC's surveys have consistently shown that programs want to serve more children, but are often constrained by staffing and affordability challenges. Among child care program administrators in this year's survey, 55% indicated they were underenrolled relative to their preferred capacity, and among those who reported being underenrolled, the top reasons were, in order:

1. Parents can't afford to enroll their children (41%)
2. Compensation is too low for us to recruit and retain enough qualified staff (37%)
3. We don't have enough staff (36%)

A lack of demand for services was the least often selected (7%) as a reason for under-enrollment.[4]

Burnout is Increasing Faster Than Wages

Although a majority of program administrators reported progress on increasing wages, the overall economic security and burnout of the field continues to worsen. One in four respondents are considering leaving the ECE field altogether within the next year, which would interrupt the teacher pipeline, worsen staff shortages, and contribute to added stress for their peers who remain.

- 60% of program administrators across all settings reported raising wages and/or salaries for staff in the last year. Those in family child care settings less often reported raising wages or salaries (27%), likely a reflection of the number of programs in family child care operated by a sole proprietor.
- 16% of total respondents said their economic well-being had improved in the last year, compared to 34% who reported it had worsened.
  - Those with longer tenure in the field reported worsening economic security at similar rates as those newer to the field – unlike in other professions where longevity frequently leads to greater economic stability.
- 47% of total respondents reported that their sense of burnout had worsened in the last year. The leading causes of burnout reported were, in order:
  1. low wages
  2. physical and mental demands of the job; and
  3. insufficient resources to deal with children's developmental and behavioral challenges.

- For family child care owner/operators, too much paperwork and/or other reporting requirements were also cited as a top reason for increased burnout.

Amidst these stressors, 26% of total respondents reported they were considering leaving the ECE field in the next year. When asked about what they would need to stay in the field, the top three results were:

1. Higher wages (60%)
2. More support addressing children's behavioral challenges (30%)
3. More respect (20%)

"Teacher burnout is at an all-time high. Student behavior is also at an all-time high. Every day is filled with many challenges." —Instructional coach, Iowa

"I have cut back everywhere I can to improve wages, [but] potential employees are looking for benefits we cannot afford." —Child care director, Georgia

Benefits Matter Alongside Wages

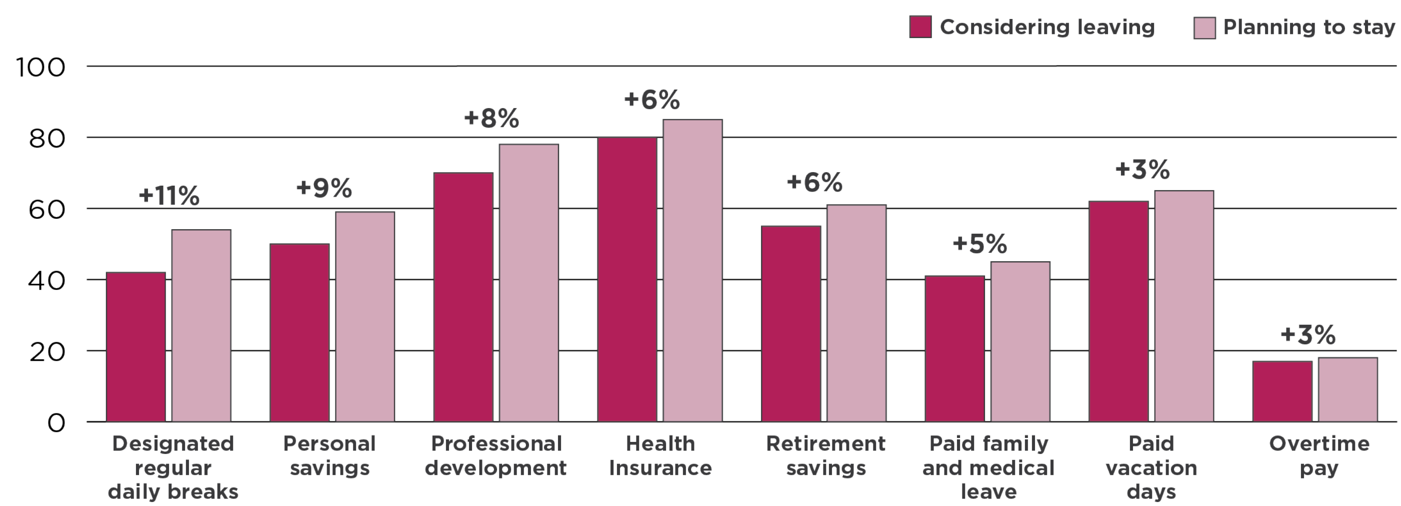
As we laid out in greater detail in our 2024 Compensation Means More than Wages brief, increasing access to professional benefits and supports positively impacts educators and their families and makes it easier for programs to recruit and retain qualified staff. Yet this survey further affirmed that far too many educators still lack access to many types of benefits that other professions take for granted. For example, many survey respondents reported that they did not have the following benefits:

- 16% do not have health insurance
- 35% do not have access to paid vacation time
- 42% do not have retirement savings
- 57% do not have access to paid family or medical leave.

However, those who do have professional benefits more often report planning to stay in the field, suggesting that benefits matter when it comes to decreasing turnover.

"I am considering staying in the ECE field because of my passion for nurturing children's growth and learning. However, challenges like low wages, staffing shortages, and administrative burdens make sustainability difficult, leading me to question long-term viability. Addressing these barriers would solidify my commitment." —Family child care owner/operator, Georgia.

ECE Educators who report that they plan to stay in the field have more access to benefits



All respondents were asked if they are considering leaving the ECE field within the year - 7,082 responded to the question. 1,815 (26%) of those responding to the question said they were considering leaving, 4,841 (68%) said they are planning to stay. Respondents were also asked to indicate whether or not they had access to the benefits listed above. The graphic shows the percent point difference in reported access to each of the benefits between the groups. All differences between group values are statistically significant.

> *"My staff is paid for every day or holiday we are closed. They have paid vacation. We pay a portion of new employees' health insurance, and all of the health insurance for those that have been there 5 years or more. We match 3% of staff retirement if they pay into a retirement plan. We pay all training costs if it is not free. We pay all credential renewals. No staff is charged a child care fee if they do not qualify for a program or assistance. All staff eat free, breakfast, lunch and snack. And, we have very low turnover, low missed days."* —Child care program director, Arkansas

Program Closures

When child care programs close, they leave gaps behind in their communities, which are hard to fill. Of those who responded to our survey:

- 56% were aware of at least one program closing in their community in the last year, and 9% were aware of 4 or more programs closing.
- By comparison, 40% were aware of at least one program opening in their community, and just 4% were aware of 4 or more programs opening.

Closures appear to be having a disproportionate impact on rural communities. Program administrators in rural communities more often reported that they intended to close in the next year (14% vs 11% overall).

> *Last year, we made the very difficult decision to close our founding site. This was the original site for our programs, where we cared for children and families for over 55 years. The main reason for the closure was financial. We also found it increasingly difficult to find qualified staff."* —Child care program director, Nebraska
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> *"I'm financially sinking as a preschool owner/ educator. Parents aren't willing or able to pay for a preschool due to their tight family finances. Thus, I may need to close and find another job so I can pay my own bills."* —Early childhood educator, Wyoming

To Prevent a Downward Spiral, We Need to Protect and Invest in Child Care and Early Learning

Our child care system has settled back into an unsustainable status quo that harms families, young children, early childhood educators, and our broader economy. Families need child care to be available and affordable, and they also need that child care to be safe, consistent, and high-quality. Yet, the vast majority of families cannot afford the true cost of high-quality care, making it impossible for programs to provide the professional wages and benefits needed to recruit and retain qualified early educators. In other words: parents can't afford to pay any more, and educators can't afford to make any less, and as the gap between what parents can afford to pay and the true cost of quality care widens, we will continue to see our supply of high quality child care fall far short of the need for it. Until policymakers step in and invest in the ECE system as a matter of public necessity, we will all continue to bear the burdens of the system we have.

Methodology:

This online survey, created and conducted by NAEYC using SurveyMonkey, represents the responses of a non-randomized sample of 10,066 individuals working in early childhood education settings who completed the survey in English or Spanish between January 6-27, 2025. To generate a more representative national sample from the pool of responses, a probability proportional to size (PPS) methodology was used to pull samples by state that are benchmarked to the share of the total early childhood workforce by state. The authors relied upon the methodology employed by the CSCCE's Early Childhood Workforce Index estimates of the size of each state's ECE workforce using U.S. Census Bureau ACS data (https://cscce.berkeley.edu/wp-content/uploads/2024/11/Appendix-Table-2.1_2024-Index.pdf). The final sample size for analysis is 9,883. The respondents represent providers in 50 states as well as Washington, DC and Puerto Rico; 11% report that they work in family child care homes while 54% report that they work in center-based child care. Others work in public school preK and Head Start. The survey links were shared widely through email newsletters, listservs, social media, and via partnerships, and 10 randomly selected respondents were provided with a $100 gift card for participation in a sweepstakes. Given the constantly changing and widely varying nature of the crisis, the broad national-level analysis from this survey is intended to present the experiences of the respondents, as captured in the moment that they take the survey, with extrapolations for the experiences of the field and industry at large. Additional focused briefs and state-by-state analysis will be available, along with previous NAEYC survey briefs, at NAEYC.org/ece-workforce-surveys.

Endnotes

1. All percentages reported throughout the brief represent the valid responses to each individual question as not all respondents were required to respond to each survey question. For response sample sizes by question, please reach out to the authors.

2. To differentiate between states investing significant public dollars in ECE compensation and supply from those that did not, authors relied about this report from CAP: https://www.americanprogress.org/article/states-are-taking-action-to-address-the-child-care-crisis/. States that invested significantly are CAP report from last year which includes Alaska, California, Connecticut, Kentucky, Maine, Massachusetts, Illinois, Minnesota, New Hampshire, New Jersey, New York, Vermont, Washington, and Wisconsin.

3. In several places throughout this survey, we reference data specific to "Program Administrators". Where that is the case, we have limited our analysis to only center directors and family child care owner/operators working in child care centers and family child care homes for those calculations.

4. Potential answers included: We don't have enough staff to open all of our spaces; Parents can't afford to enroll their children; Parents are choosing other options; Compensation is too low for us to recruit and retain enough qualified staff; Parent work schedules don't match our program schedule; Children need specialized services that we don't offer; There isn't enough demand for our services; Reimbursement rates are too low; Other (please specify).

 The primary staff members who contributed to this piece through survey development, data gathering, analysis, writing, and design are: Meghan Salas Atwell, Daniel Hains, Lauren Hogan, Nicole Lazarte, Ashraf Alnajjar, and Teria Walters.