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Uncertainty Ahead Means Instability Now

Survey of Child Care Providers Shows Why Families, Children, Educators, Businesses, and States Need Congress to Fund Child Care

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The problems are clear: Families can't find or afford child care because compensation is too low to attract and retain early childhood educators. As federal relief dollars that have saved the sector from complete collapse begin to dry up, the stability those dollars brought to programs will disappear with the funding.

The solutions are clear: The public benefits from public investments in child care and early learning. Congress needs to build on the successes of child care funding to prioritize additional, sustainable investments that ensure programs and educators can meet the needs of families, children, and businesses, and states can continue to build towards an early childhood education system that works.

In October 2022, more than 12,000 early childhood educators from all states and settings—including faith-based programs, family child care homes, Head Starts, and child care centers—responded to a new ECE field survey from NAEYC. The results of this survey continue to show that relief helped, but uncertainty about the future is impacting the present. Staffing shortages caused by low compensation are leading to supply shortages that negatively impact families' ability to work, children's access to safe and quality care, and educators' health and well-being. Far too many educators are considering leaving the field, threatening an exodus that—if not reversed with the support of public investments in the ECE workforce—will deepen the supply, quality, and affordability crises for years to come.

"Definitely a win on our end!"—Good Things Happen When Child Care is Funded

The reach and impact of federal child care relief funding is extensive and positive. As recent data from the Administration for Children and Families demonstrated, stabilization grants have served more than 200,000 child care providers in every state, and assistance has already been provided to more than 8 out of every 10 licensed child care centers across the country.

NAEYC's survey results were consistent with these findings; 75% of child care directors and 86% of family child care owners who responded said their programs had received stabilization funds.

- Of those who reported receiving these funds, one-third said that their program would have closed permanently without them.
- Half of survey respondents indicated that they had received more money from a wage increase or supplement in the last year; and those who worked in programs receiving stabilization grants were twice as likely to report an increase than those who did not.
- In addition, 43% of respondents who indicated that their program used stabilization funds to support the health and wellness of staff rated their overall mental health as either "excellent" or "good" compared to 37% of respondents in programs who did not indicate funds being used in that way.

"We were able to give sign on bonuses to new staff, referral bonuses, and wage increases to all of our current child care staff."—Liz, child care center director, Oklahoma

"I have been able to save for retirement for the first time in my 28 years in business." —Lori, family child care provider, North Carolina

"We raised wages, added wellness benefits and strategies, and are looking to expand. Plus, families are affording high quality care with added scholarships coming from ARPA dollars. Definitely a win on our end!" —Missy, child care center director, Wisconsin

"With the ARPA funds, we have been able to pay staff a lot better wages and we have started requiring a college degree or CDA for all staff at our center. This has increased our quality tremendously. Since we've been able to pay our teachers better and we require better qualifications, the children have had more stability in the classroom, the teachers are much more engaged, and there have been a lot fewer call outs from staff."—Lindsey, child care center director, Tennessee

"When we don't have staff, we don't have children" —A Staffing Crisis is a Supply Crisis

Still, nearly half of respondents working in child care centers indicate that their program is serving fewer children than they would like to be serving. The most common reason as expressed by 70% of respondents: "Not enough staff" because "compensation is too low for recruitment and retention."

"We can barely hire people with the increased wage we offered. We are losing teachers going to better paying jobs – ones with much less stress and shorter work weeks. We need more staff!! They need better wages and benefits to be able to work in the early childhood field and look at it as a long term career."—Professional development coach, Massachusetts

The staffing shortage has real impacts on educators and on families. Of respondents experiencing a staffing shortage:

- 46% say fewer children are being served
- 38% say they have a longer waitlist
- 65% indicate that staff are taking on multiple roles as a result
    - Relatedly, 78% of respondents believe that burnout and exhaustion are "greatly" or "to some extent" contributing to problems retaining qualified teachers.

"The early childhood workforce is in crisis. Without stabilization grant money we will not be able to offer bonuses and other 'perks' for our employees and they will leave to find better paying jobs elsewhere. And when we don't have staff, we don't have children." —Ashlinn, child care center director, Delaware

"We have no idea where the money is coming from going forward." —Uncertainty Means Instability

States have to spend their stabilization grants by September 2023, while ARPA's child care supplemental funds can be spent through 2024. But survey respondents were asked when they thought they might receive their last stabilization grant payment, and 22% said they believe theirs will end in January 2023. Another 40% said sometime in 2023. More than a quarter of those who responded didn't know. This is a toxic mix of uncertainty and urgency that is resulting in decisions that are being made now and impacts that will be felt for a long time.

Respondents were asked what they think might happen when stabilization grants end:

- 43% of child care center directors and 37% of family child care providers said their program will be forced to raise tuition for working parents
- 22% of child care center directors said their program will lose staff while 19% of family child care providers said their program will have to serve fewer children
- 27% of child care center directors and 29% of family child care providers said their program will cut wages or be unable to sustain wage/salary increases

"We would like to keep our staff working for the higher pay. After the end of the stabilization grants, the increase will need to be passed on to our families. We really don't want to do this, but will have no choice, in order to continue to serve all of our families. Higher pay for our staff, is a must in order to keep the numbers where they are in our center."
—Child care center director, Louisiana

"I will be unable to continue to provide the high quality early care and learning. I will be unable to retain high quality staff, my family will go back to poverty income level and qualify for food stamps and our housing situation will be at jeopardy again."
—Family child care provider, Montana

"The grants were helpful but they were used right away and we have nothing left. We have no idea where the money is coming from going forward."
—Kishauna, family child care provider, Iowa

"I wonder how any of us will be able to keep own heads above water long term. It's so sad and worrisome. It's not the only solution, but stabilization grants are one thing that has been greatly appreciated and helping. I pray they will continue."
—Nicole, child care center director, New Jersey

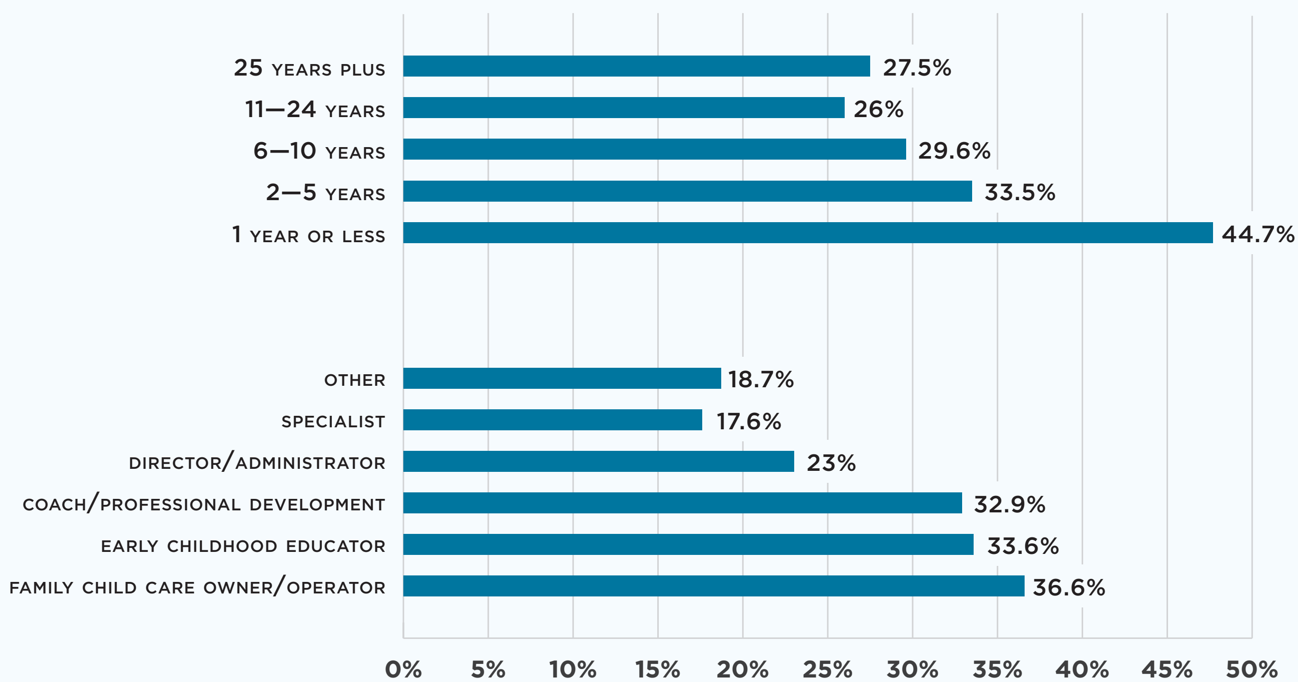
"They will quit." —Without Intervention, A Deeper Crisis Looms

Educators can see what is coming if additional investments are not. That's why one-third of respondents indicated "yes" or "maybe" to the question of whether they were considering leaving their job or closing their family child care home. What would they need to stay? By far, the most common thing they reported needing is competitive wages, which neither programs nor families can afford to provide on their own.

Yet without wage increases, both the current and future supply problem will worsen.

Are you considering leaving your program or closing your family child care home?

Yes/Maybe (by years in the field and role)



Nearly half of respondents (45%) who have been in the field for only a year or less, and 34% of those with 2-5 years in the field said they were considering leaving, along with 37% of family child care providers.

- In addition, 44% of respondents in minority owned businesses are considering leaving, compared to only 25% in non-minority-owned businesses.

These substantial losses would:

- Create massive pipeline challenges
- Decrease the field's celebrated diversity
- Diminish families' choices for child care settings
- Increase educator turnover and
- Add to instability

All of these undermine the quality and safety of children's experiences and worsen educators' own mental health.

Already, workforce well-being is suffering.

- Only 37% of respondents indicated that the overall mental health of themselves and their colleagues was either "excellent" or "good"
- 30% reported experiencing financial insecurity.

> *"Without bonuses for staff, I will lose many of the long term staff members I have. They are exhausted, and burnt out. Without the extra money, which the center cannot afford to give them, they will quit."*—Amy, child care center director, Illinois

America Doesn't Work Without Child Care. Child Care Doesn't Work Without Congress' Support.

In February 2022, NAEYC's last ECE field survey results led us to this conclusion: "Americans understand the essential role that child care and early learning play for families and our economy. Our nation has both the power and the obligation not only to have temporarily saved child care, but to finally solve the challenges for good. In order to do so, Congress must act. Relief has helped, but now Congress must prioritize—and not leave behind—the necessary, significant, sustained investments in quality child care and early learning that will respond to our communities' short- and long-term needs and support America's economy, families' economic security, and children's success."

It remains as true now as it did then. America doesn't work without child care. Child care doesn't work without Congress' support. Children, families, educators and businesses are counting on them to act.

Methodology

This online survey, created and conducted by NAEYC using SurveyMonkey, represents the responses of a non-randomized sample of 13,037 individuals working in early childhood education settings who completed the survey in English or Spanish between October 5-23, 2022. 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. These shares were calculated by the authors from the Bureau of Labor Statistics May 2021 Occupational Employment and Wage Statistics (Codes: 11-9031, 25-2011, 25-2051, 39-9011). The final sample size for analysis is 12,897. The respondents represent providers in 50 states as well as Washington, DC and Puerto Rico; 19% report that they work in family child care homes while 48% 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 www.naeyc.org/pandemic-surveys.

 The primary staff members who contributed to this piece through survey development, data gathering, analysis, writing, and design are: Meghan Salas Atwell, Gillian Frank, Lauren Hogan, and Lucy Recio.