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Uncertainty Ahead Means Instability Now

Why Families, Children, Educators, Businesses, and States Need Congress to Fund Child Care

December 2022

MINNESOTA

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 the National Association for the Education of Young Children (NAEYC). The results of this survey continue to show that relief helped, but uncertainty about the future is impacting the present.

Here are some reflections from survey respondents in Minnesota:

"As a teacher/administrator I do not feel confident that we will be able to afford to pay/bonus employees. I am also concerned that we will not be able to afford to keep our high quality/low ratio center operating the way we do. We prioritize giving the best care and not over enrolling for the sake of making money. If we cannot get the support we need through more funding we will have to turn our backs on these values. We would have to increase tuition rate (that is already high) and continue to not properly pay our staff."—Program Director/Administrator

"The stabilization grants have just been a band aid. The systems have not changed. We are still losing family child care providers daily. This will cause children to lack quality care and parents to have no choice in setting."—Family child care owner/operator

"Instead of getting a wage increase we got 4 bonuses throughout the year. Without the stabilization grant funds we won't be getting anything. I know my family is going to take a hit as we rely the funds to pay some of our own child care costs. It's hard to have the cost of everything rise, but my already low income stays the same."—Early childhood educator

"When these stabilization grant funds end, I am not sure if we will be able to raise wages high enough to retain the staff that we have. Tuition prices are going to need to increase greatly so that we can pay our staff the wages that they deserve in an increasingly competitive market. Raising tuition is damaging to families but may be necessary to meet our budget needs."—Program Director/Administrator

Here's a brief summary of the survey data from Minnesota:

	MINNESOTA	NATIONAL
Sample Size	146	12,897
Child Care Center	42.5%	47.7%
Family Child Care	13.7%	18.6%
STABILIZATION GRANTS[1]		
Child care directors/administrators who report receiving grants	76.0%	73.9%
Family child care owner/operators who report receiving grants	91.7%	85.7%
Total reporting that their program would have closed without grants	33.3%	34.0%
Total reporting that they believe their last payment will be in 2023	71.6%	61.0%
When stabilization grants end:		
Child care center directors saying their programs will have to raise tuition	63.2%	42.8%
Total reporting their programs will have to cut wages or be unable to sustain wage/salary increases	25.6%	23.0%
STAFFING AND SUPPLY		
Current Challenges		
Child care center directors reporting they are serving fewer children than they would like to serve	30.0%	46.4%
Most common reason they are under-enrolled?	Not enough staff	Not enough staff
Total reporting that their program is currently experiencing a staffing shortage	50.7%	67.0%
Among respondents in programs with a staffing shortage:		
› Reporting they are serving fewer children	37.8%	45.4%
› Reporting a longer waitlist	35.1%	37.4%
Future Challenges		
Total indicating "yes" or "maybe" to considering leaving their job or closing their family child care home	21.2%	29.2%
› In the field 5 years or less indicating "yes" or "maybe" to considering leaving their job or closing their family child care home	35.3%	45.0%
› Family child care providers considering leaving	33.3%	36.4%
Number one thing needed to stay	Competitive wages	Competitive wages
ECE WORKFORCE WELL-BEING		
Total respondents experiencing financial insecurity in the last year	20.5%	29.5%
Total respondents who received more money from a wage increase or supplement in the last year	51.4%	49.4%
Total indicating that burnout/exhaustion are "greatly" or "to some extent" contributing to problems retaining teachers	74.7%	78.0%

1. For more state-level information about the receipt of stability grants, please see ACF's state profiles. According to the profile for Minnesota, providers in 100% of Minnesota's counties received funds as of 6/30/22. https://www.acf.hhs.gov/sites/default/files/documents/occ/Minnesota_ARP_Child_Care_Stabilization_Fact_Sheet.pdf

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 the national-level analysis is 12,897. In contrast, for the state-level analysis, the entire sample of responses from each state were used. We are unable to supply detailed analysis in states for which there are very small sample sizes across sub-groups. Respondents were asked to select any setting that applied to them. They could choose from the following list: child care center, family child care home, non-profit, for-profit, school-based, Head Start, faith-based, multi-site. For this brief, only the percentages for child care center and family child care are reported.

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 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 information available at www.naeyc.org/pandemic-surveys