

# gotta have **CHILD CARE**

## **CURRENT CHALLENGES**

### **Early educator wages remain low:**

- The broken business model of child care results in depressed wages for child care educators, on average 25% less in annual wages than Virginia high school graduates.
- Early educators are paid less than half their elementary teacher counterparts (average \$15.45 vs. \$36.77 per hour) and, as a result of low wages, nearly half (49%) of Virginia's early educators rely on public assistance for their basic needs.
- Low compensation rates negatively impact recruitment and retention of the early educator workforce, and child care programs are forced to turn away families due to staffing challenges or hire less qualified teachers to keep classrooms open.

### **Teacher retention remains problematic:**

- Educator-child interactions are the leading indicator of quality, and research shows a strong link between quality child care and school readiness.
- Only 1 in 2 early educators at child care centers indicated they were likely to still be at their site in one year, representing a significant loss of quality teachers.
- Low wages contribute to high turnover – with an annual turnover of 30% in child care, as compared to just 5% among public school teachers.
- These high turnover rates have a direct impact on quality. Only 60% of Virginia children meet kindergarten benchmarks for literacy, math, social skills, and self-regulation.

### **Child care access remains insufficient:**

- Only 42% of eligible children receive publicly funded child care. That means there are nearly 100,000 children estimated to be eligible for these programs who currently aren't being reached.
- Over the past two years, there has been continued growth in parental demand from working families. Without access to the child care they need, Virginia families are stuck on the sidelines, and our economy is not able to reach its full potential.

### **Prices remain unaffordable:**

- Families spend, on average, more than \$16,600 per child each year – the highest of all household expenses – and Virginia is ranked as the 29th least affordable state in the country for infant child care.
- In nearly every region of Virginia, it costs more to send one child to child care than to earn a bachelor's degree from a local public university, and families have fewer years to save for child care.
- According to the 2023 report by the Joint Legislative Audit and Review Commission (JLARC), child care is unaffordable for 85% of Virginia families with infants, 82% of families with toddlers and 74% of families with preschoolers. Affordability challenges especially impact low- to moderate- income families who may most benefit from access to child care services that lead to greater self-sufficiency.

### **Businesses are negatively impacted:**

- More than 80% of employers statewide indicate that the lack of affordable, quality child care options impacts hiring and retention and business productivity.
- Due to inadequate child care, employers report that 65% of their employees reduce hours, and many turn down job offers or promotions (41%) or are forced to leave jobs (34%) to care for their children.
- Industries like health care, hospitality, food, and retail with nontraditional work schedules were more likely to report child care challenges negatively affecting their business and workforce.