

Expand the Child Care WAGE\$ program statewide to support early educators, working parents, and young children.

Young children thrive in early education programs when they have stable, reliable relationships with their teachers. Yet North Carolina is facing an unprecedented workforce crisis right now, with fewer people entering the early childhood field and qualified teachers leaving the field at high rates due to low compensation. Nearly every industry is facing a workforce crisis, but staffing shortages in child care impact working parents across all trades. Child care is essential for parents with young children to be able to work. But without teachers, child care programs can't meet the demand in their communities, and unlike other industries, costs cannot be increased without placing the burden on parents, who are already struggling to make ends meet.

Since October of 2021, Child Care Stabilization Grants funded by the federal American Rescue Plan Act have provided funding for child care programs to increase teacher pay and provide other incentives to address staffing shortages. The Stabilization Grants have helped child care providers recoup expenses incurred during the pandemic and helped them retain staff, but they will end in April of 2023. Without an increased investment before that happens, the underlying issues of low compensation, high turnover, and a dwindling workforce pipeline will remain the same and will exacerbate an already precarious situation.

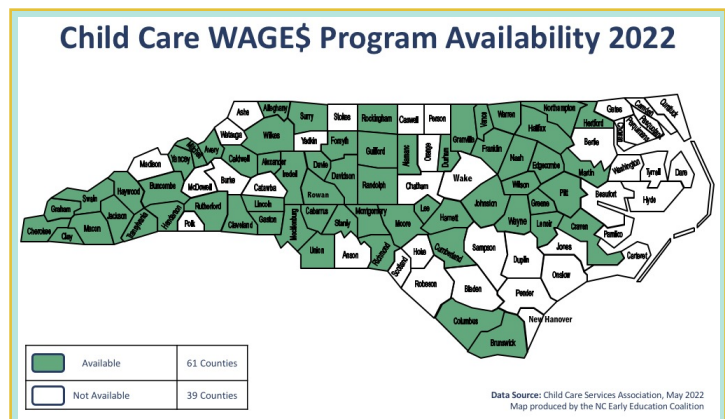
North Carolina has the resources now to improve child care teacher compensation, build back the early childhood workforce, and stabilize the child care industry by expanding the Child Care WAGE\$ program statewide. This investment will support qualified early educators and allow child care programs to stay open without increasing parent fees once federal funds are depleted.

Low compensation is the top reason for the early childhood workforce crisis.

The average wage for child care teachers in North Carolina is \$12.00 per hour, and 70 counties pay at or below this rate. One in five teachers has no health insurance, 38% received public assistance in the prior three years, and the poverty rate for early educators is more than 7 times as high as for public school kindergarten teachers. This is despite the fact that 66% of teachers have an associate's degree or higher and more than 10 years of experience.

Retention and recruitment strategies are needed to provide young children with high-quality care.

The Child Care WAGE\$ program is an evidence-based, long-standing program in North Carolina that supports child care teacher compensation, education, recruitment, and retention. In FY2020, only 3,800 early childhood teachers—just 14% of the total early education teaching workforce—received WAGE\$ salary supplements. Making the Child Care WAGE\$ program available in all 100 counties will allow child care programs to attract and retain a qualified early childhood workforce. According to pre-Covid workforce data, approximately 6,000-6,500 additional teachers will be eligible to apply for this proposed statewide funding.



Parents can't afford to pay more, child care programs can't afford to pay their teachers more, and teachers can't afford to stay for such low wages.

Child care teachers are the workforce behind the workforce. Expanding the Child Care WAGE\$ program statewide will improve compensation, retention, and recruitment in order to support young children's development and keep North Carolina working.

Resources: information provided by Child Care Services Association and University of California Berkeley's Center for the Study of Child Care Employment.