The Workforce Behind the Workforce:
Strengthen Child Care to Build Ohio’s Economy
April 19, 2021
Welcome!

Opening comments from our caucus co-chair,
Representative Allison Russo
Cynthia Rees,
State Director of Ohio,
Council for A Strong America
Lisa Gray,
Executive Director,
Ohio Excels
OUR VISION

All Ohio students have access to and are supported to excel in early childhood, K-12 and post-secondary experiences that prepare them for life and success in a changing economy.

OUR MISSION

To provide an informed business perspective to dramatically improve and transform Ohio’s education system to prepare students to meet the demands of the new economy.
Partnership with Big 6 Business Groups

Ohio Excel’s voice in advocating for education policies has been strengthened by its growing partnerships, which include the state’s six leading business organizations.
World Class Economy begins with World Class Education

• Nationally, $3 billion in revenue is lost annually due to employee absenteeism as a result of a lack of early learning opportunities
  – Providing early learning opportunities can decrease employee absences by 30%

• Turnover as a result of a lack of early learning opportunities costs businesses 20% of an hourly employee’s salary and up to 150% of a manager’s salary
  – Providing early learning opportunities can cause a 60% decline in job turnover

• Providing early learning options increases employee productivity
Recovering Economy

• Early learning opportunities is essential for the recovery of our economy following COVID-19

• Quality job options remain unfilled because families cannot afford early education
  – 60% of employers have openings that remain vacant for over 12 weeks, costing the national economy $160 billion annually
  – 40% of business cannot take on more work because they can’t fill the essential roles they need
Future Workforce

• Broad set of socially and economically valuable skills develop early in a child’s life
  – 80% of a child’s brain development occurs by the age of three

• Lays the foundation for future skill development
  – Children in quality early learning environments have fewer behavioral problems
  – Increases the chances of the completion of higher education and industry recognized credentials and increases workforce participation

• High quality early education can see a return on investment of $16 for every $1 invested
Kimberly Tice
Executive Director,
Ohio AEYC
The Workforce Behind the Workforce: Strengthen Child Care to Build Ohio’s Economy
Re-Thinking America’s Child Care System
A variety of challenges have stemmed from our society’s failure to recognize the value in the important work our early childhood educators do every day:

- Poor staff compensation
- Challenges finding degreed and credentialed staff
- High turnover rates
Current Challenges of the Profession

...underpaid & undervalued

Average Hourly Wage in Ohio: $24.65/hr

Average Hourly Wage for Ohio Early Educators in child care settings: $10.67/hr
Underfunded and Broken
That’s the U.S. early care and education system in a nutshell. It’s expensive for parents yet doesn’t pay teachers a living wage.

Overlooked are the tens of billions of dollars that early childhood educators unwillingly contribute each year in income lost due to being paid poverty-level wages.
Underfunded and Broken

Poverty rates are on average nearly eight times higher for early educators than poverty rates for K-8 teachers.

Almost 50% of the early childhood workforce relies on public assistance!
OPEN DOES NOT MEAN OKAY

Child Care Providers Weigh In On Survival After One Year Of Pandemic

Read the report at www.actionforchildren.org

ACTION FOR CHILDREN REPORT HIGHLIGHTS CRISIS FACING CHILD CARE PROVIDERS

MARCH 2021
The report reveals several alarming data points, including:

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<th>Data Point</th>
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<td>Without immediate action, <strong>30% of providers anticipate closing within 3 months.</strong></td>
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<td>For more than <strong>half</strong> of providers, <strong>monthly revenue does not cover expenses.</strong></td>
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<td><strong>46%</strong> of providers are <strong>losing more than $5,000 per month.</strong></td>
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<td><strong>Enrollment is slowly rising, but still depressed at 57% of provider capacity.</strong></td>
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<td>More than one-third of child care centers are experiencing staff shortages with <strong>nearly 1,000 staff openings</strong> estimated currently.</td>
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**NOTE:** Data points are gathered from Central Ohio, although stories from the field indicate the issues are statewide.
PRIORITIZE APPROPRIATE COMPENSATION

Wages/salaries as well as benefits (e.g., health insurance, retirement plans) are an essential component for rebuilding the early care and education system — including early educators working in both center- and home-based child care settings.
Teacher turnover is rampant in all 50 states
It's hard for children to learn and grow when they lose their teachers

Early educators require a system that supports their livelihood
Children and families require a qualified and stable workforce

- Take a stand for public investment
- Ask policymakers to fund a system that works for children, parents, and teachers

Inspired by the video “Why Do Parents Spend So Much on Child Care, Yet Early Childhood Educators Earn So Little?” ©2018 Child Care Aware of America, Center for the Study of Child Care Employment

https://cscce.berkeley.edu/
Questions & Answers

Moderated by our caucus co-chair, Senator Stephanie Kunze

For legislators and legislative staff, please feel free to unmute yourselves to ask questions or share feedback.

For all other participants, please use the chat feature.
Thank you for joining today’s webinar!

For more information on upcoming Ohio Legislative Children’s Caucus webinars and meetings, please contact Alison Paxson at apaxson@childrensdefense.org