The Backbone of the Economy: Early Childhood Educators

Tiffany Plusnick, Staff writer

Low pay and limited support from the federal government are driving North Carolina's early childhood educators out of classrooms and forcing child care businesses to close child care access for families.

Anne Sutton worked in childcare for over eight years as a daycare teacher, but had to leave the profession due to the livability of the wages. Now, she is a private nanny and early childhood education advocate in Durham.

"Unfortunately, I don't think I'll ever be able to afford working in early childhood outside of private nannying," Sutton said.

The situation is complicated by the fact that the federal government has been providing increasing subsidies for early childhood educators since the pandemic, but next year, those subsidies are not expected to increase.

The <u>President's Fiscal Year 2026</u> budget proposes stagnant funding for the Child Care and Development Block Grant (CCDBG), a program that provides subsidies for educators.

"They're paid very low, benefits are not a guarantee, which is very difficult when you're trying to have teacher retention and workforce strategies. Most careers at this point, you know, as you grow older, you know, benefits are almost a guarantee. livable wage, things like that are really important," said Leanna Martin, policy analyst at NC Child.

The decision to keep subsidies the same next year may exacerbate the challenges faced by teachers in North Carolina, said Cadence Witherspoon, the director of Early Childhood Service at the North Carolina Department of Health and Human Services (NCDHHS).

"Childcare is a broken market. Working parents are having to leave the workforce due to lack of childcare. Centers are closing down, Something's gotta give!" said Sutton.

There are an estimated <u>56,500 of early childhood educators</u> in the state. Their average pay in 2023 was \$34,460 a year, according to Teachers of Tomorrow, an online company that provides alternative programming to become a teacher. That's less than the \$35,012 needed to earn a living wage in North Carolina, according to statistics from the Massachusetts Institute of Technology.

With the rising cost of living and the increasing demands of the job, many teachers are finding it increasingly difficult to make ends meet. The low pay, combined with limited support and professional development opportunities, is driving many educators out of the profession, leaving classrooms understaffed and families struggling to access quality care.

Witherspoon is worried about the situation. "We're seeing programs closed at an alarming rate, and we're at the point right now, families are stuck," Witherspoon said, "I've had parents reach out when the only program in their community shut down, and now they are left not knowing what to do," she said

N.C. Child has conducted several reports in collaboration with the U.S. Chamber Foundation and the North Carolina Department of Commerce. One key finding from N.C. Child's work in the report "<u>Untapped Potential</u>", is that issues related to childcare access and affordability are severely detrimental to the economy.

In the report, the team discovered that the lack of affordable and accessible childcare in North Carolina results in an annual loss of over \$5.65 billion. However, if these issues were addressed and parents had more reliable childcare options, the state could see an increase of up to \$7.5 billion in GDP and economic output every year.

While childcare may seem like a personal issue, it affects everyone. Even individuals without children, like the report's author, are impacted by the broader economic consequences of inadequate childcare, which ultimately affects families and communities at large, Martin said.

The number one policy for recommendation for this year is to establish a statewide subsidy for childcare. And that's really important. That's what's going to help stabilize the ECE workforce, ECE access and portability, and just create a stronger, more stable North Carolina, according to N.C. Child.

"Our economy runs through childcare," Martin said