

CT VIEWPOINTS

Opinion: The investments that could shore up the child care system forever



by Allyx Schiavone

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The vast majority of voters (89%) say they want elected officials to ensure working parents can access high-quality child care, but politicians avoid discussing real solutions to childcare access and affordability – because the system seems to exist in intractable crisis. We will never be able to transform our country’s childcare system to ensure equitable access and affordability without significant, sustained investment – at the federal, state, and local levels – in both educators’ compensation and the capital infrastructural expenses childcare providers face.

As an educator and the executive director of a New Haven early care and education provider for infants, toddlers and preschoolers, I know firsthand that the child care system is broken. Families pay too much for child care, and educators don’t earn a living wage because the true cost of providing care is higher than most people can afford to pay.

Our current childcare system is subsidized by the poverty wages paid to early educators. In Connecticut, the hourly median wage earned by a childcare worker is \$16.51, just under \$35,000 per year. That’s not a living wage.



Allyx Schiavone, Executive Director, Friends Center for Children

To bridge the gap, government entities must join individual, philanthropic, institutional and corporate supporters to identify creative up-front investments that augment educator compensation without increasing the tuition parents must pay. U.S. families spend more than a quarter of their annual household incomes on child care, curtailing the disposable income that fuels our economy. The impacts for families priced out of child care are often severe: 39% of parents who’ve quit their jobs or

shifted to part-time work cite a lack of available or affordable child care as a factor in their decision.

Our economy can't work without child care, which is why Friends Center for Children, a New Haven early care and education provider, has developed an innovative solution to the childcare crisis, increasing early educators' overall compensation without passing additional costs on to parents. We are raising salaries and attracting new talent, lowering costs for parents, and bringing back parents who have been priced out of the system.

For early care and education workers struggling to make livable wages, it can be difficult to acquire safe and affordable housing. Friends Center's Teacher Housing Initiative allows teachers to live rent-free as a salaried benefit in homes acquired through a combination of donated housing as well as a partnership with the Yale School of Architecture's Jim Vlock First Year Building Project.

Now, our teaching staff can dedicate their energy to their work and not worry about where they will go home to at the end of the day. Now, our educators can build up savings, put food on the table for their families, and dedicate more mental space to their classrooms – and to their tiny students who are the future of this country. By 2028, we plan to provide housing to a third of our workforce as we continue to expand it, resulting in \$500,000 in annual savings we would otherwise need to spend on salaries.

This one-time investment in physical infrastructure allows Friends Center to pay all of our teachers, on average, almost \$18,000 more per year than the average salary of early care and education teachers in Connecticut.

Providing rent-free housing isn't the only way to support the physical infrastructure of early care and education, however. The business of early care and education is unstable. On average, rent and facility costs represent up to 15% of childcare centers' operating budgets, and for providers who own in-home facilities especially, any financial shifts can be detrimental to their economic security. Investing in the capital infrastructure of their facilities through supports that lead to their homeownership will help to address both the dramatic shortage of care and education and the lack of affordable housing for lower-income households, ultimately leading to these providers being positioned to continue to operate their vital businesses.

How would this work? Public sector programs can invest in purchasing or constructing childcare centers and home-based childcare facilities, which could then be provided to childcare providers rent-free or through tax savings for homeowners. Federal, state and local government entities can also provide incentives to encourage employers to build childcare facilities that are then made available to childcare providers – again, offsetting capital costs for those in the business of providing the actual care and education of our children.

With public programs and private entities addressing the major supply deficit and removing the burden of paying rent or mortgage from early care and education providers, providers would have the ability to invest more funds into teacher salaries – and ultimately pay them with a living wage.

Public investment in the childcare system's infrastructure is indispensable. The nation's families, businesses and taxpayers lose \$122 billion a year in earnings, productivity and revenue, contributing to an ongoing state of crisis in a vicious, unsustainable cycle. Policymakers at all levels of government have a responsibility to invest in the infrastructure of our childcare system to create long-term, sustainable solutions that will strengthen the stability of the entire industry and send a clear message about the critical importance of supporting childcare workers who are raising the next generation.

On October 8 at 3 p.m., Friends Center for Children will be hosting an online panel discussion on investing in the infrastructure of early care and education, featuring U.S. Rep. Rosa DeLauro, CBS anchor Lilia Luciano, Karen DuBois-Walton, President of Elm City Communities, Friends Center executive director Allyx Schiavone, and Friends Center teacher and housing resident Paris Pierce. **Registration is available here.**

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