We Need Major Reform that Prioritizes the Needs of our Child Care Workforce

Tax credits & vouchers won’t fix our child care crisis

1 Who Pays Now and How?

Underfunded and broken. That’s the U.S. early care and education system in a nutshell. It’s expensive for parents and does not support early care and education workers for families and children. We need a different system that is sustainable, equitable, and delivers consistent quality care and education for all children.

Proposals to fund an expanded system through tax credits and vouchers only make a difficult situation more complex without fixing existing problems. It’s like building a third story addition to a house with a crumbling foundation.

2 Tear it Down and Build From Scratch

Tear it down and build from scratch. It’s high time for foundational reform that prioritizes workforce needs. Tinkering with the existing structure of vouchers and tax credits will keep wages low and perpetuate the cycle of inequities and harm imposed on early educators.

3 Who Pays?

60% of the cost of child care is paid by families out of pocket. Next are federal, state, and local subsidies. Overlooked are the tens of billions of dollars that child care providers and teachers annually contribute to the system through income lost due to being paid poverty-level wages.

The current system shortchanges children, families, and teachers. Only a fraction of families with low income who need child care are eligible for subsidies. For everyone else, the cost is so high that many parents struggle to pay the bill and have the flexibly they need. Teachers also report struggling to pay for food and other necessities, conditions that are more prevalent than ever due to COVID-19.

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A revamped early care and education system must relieve the financial burden on families and support appropriate levels of compensation for early care providers. We need per-child funding formulas that account for the true cost of care, including staff compensation, and local wage standard requirements for any program that receives public funding.

We cannot have a functional early care and education system until we ensure that educators earn fair compensation and gain the economic security they deserve.

Learn more about our recommendations and join the conversation

https://cscce.berkeley.edu/

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