
TESTIMONY OF LEA J.E. AUSTIN
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UNIVERSITY OF CALIFORNIA, BERKELEY
BEFORE THE SELECT COMMITTEE ON THE CORONAVIRUS CRISIS
ON
“Covid Child Care Challenges: Supporting Families And Caregivers”
March 2, 2022

Good afternoon. My name is Lea Austin, and I am the Executive Director of the Center for the Study of Child Care Employment at the University of California, Berkeley.

Thank you, Chairman Clyburn, and members of the Select Subcommittee on the Coronavirus Crisis for the opportunity to speak with you today about the plight of child care in America.

If nothing else, the pandemic has made visible that stable quality child care is not something that's just nice to have - it's a necessity. Yet, it's severely under-resourced and a crumbling component of our nation's social infrastructure.

Leading up to the pandemic:

- about half of families who needed child care in the U.S. didn't have access to it;
- parents - mostly mothers - were losing about \$37 billion in income each year because they had to reduce work hours or drop out of the workforce entirely because of child care issues;
- businesses were losing an estimated [\\$12.7 billion](#) a year due to child care challenges among employees;¹ and
- child care workers were [subsidizing the true cost](#) of services with the poverty level wages paid to them.²

The pandemic didn't create these circumstances, but it exacerbated them and it brought child care in this country to the brink of collapse.

Unfortunately, it's no wonder. Care and early education, work performed almost exclusively by women, has long been devalued in our country.

Child care businesses - most of which are small and women owned, operate on very thin margins, the slightest drop in enrollment and income was all it took for many to permanently

close. By July of 2020, 1 in 5 child care providers in California, for example, had already [fallen behind on the mortgage](#) or rent for their business according to my center's research.³

Most child care programs have to rely on what parents can afford to pay to fund their programs, and this renders child care workers among the lowest-paid in every state - the average wage is about \$12 an hour - and within that there are [racial pay gaps](#) and [pay penalties](#) for those who work with the youngest children.^{4, 5}

For programs that have managed to stay open, they are having trouble staffing up as they simply cannot compete with businesses like retail and food service, which are now paying starting wages of \$15 or more and offering benefits. It's not hyperbole to say conditions are dire for the child care workforce. 98 percent of other occupations in this country are paid more than child care workers, [poverty rates](#) are double those of other workers and, on average, eight times higher than that of K-8 teachers.⁶ In another study, we found that a third of child care workers were [food insecure](#), and fewer than 15 percent would be able to pay for a \$400 emergency.⁷ These findings are not unique to California; researchers have identified similar financial stressors in other states, for example, in Nebraska, Louisiana, and Oregon.

To bring attention to their persistently low wages, for decades child care workers have posed this riddle: "Why did the child care worker cross the road? To get to her second job." It was not meant to be funny then, and it's certainly no joke today. My colleague Dr. Caitlin McLean met Shania Bell, a child care worker who literally crossed the street for [a better paying job at a hardware store](#), everyday walking past the job and the children she loved and was really good at it, for a job that allowed her to pay her bills.⁸ A similar scenario is playing out all across the country, as evidenced by program closures and the child care jobs shortage - we've [lost at least 131,000 child care jobs](#) since February 2020.⁹

The federal pandemic relief programs have provided important stop gap measures. Many states jumped at the opportunity to invest in their workforce. We know of at least [28 that are using federal relief](#) funds to intentionally support wages, and the recruitment and retention of educators. Typically states are paying stipends or bonuses directly to educators themselves and/or allocating funds to programs to increase pay, provide bonuses, or offer benefits.

Critically, relief has helped many hold on, but it cannot, nor was it designed, to provide long term fixes. Our economy relies on workers who are parents, many parents cannot work without reliable child care, and child care cannot work effectively until its own workforce is secure. Dependable, long-term investments that decouple what parents can afford from what workers are paid is key to ensuring that child care programs are able to stay open and to recruit and retain staff who can meet America's child care needs.

I appreciate the opportunity to appear before this committee. I look forward to answering any questions you may have. Thank you.

Endnotes

1. Bishop-Josef, S., Beakey, C., Watson, S., & Garrett, T. (2019). *Want to Grow the Economy? Fix the Child Care Crisis*. Council for a Strong America. Retrieved from <https://strongnation.s3.amazonaws.com/documents/602/83bb2275-ce07-4d74-bcee-ff6178daf6bd.pdf>.
2. Gould, E., Whitebook, M., Mokhiber, Z., & Austin, L.J.E. (2020). *Financing Early Educator Quality: A Values-Based Budget for Every State*. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley and Washington, DC: Economic Policy Institute. Retrieved from <https://cscce.berkeley.edu/financing-early-educator-quality-a-values-based-budget-for-every-state/>.
3. Doocy, S., Kim, Y., & Montoya, E. (2020). *California Child Care in Crisis: The Escalating Impacts of COVID-19 as California Reopens*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/california-child-care-in-crisis-covid-19/>.
4. Austin, L.J.E., Edwards, B., Chávez, R., & Whitebook, M. (2019). *Racial Wage Gaps in Early Education Employment*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/racial-wage-gaps-in-early-education-employment/>.
5. Whitebook, M., McLean, C., Austin, L.J.E., & Edwards, B. (2018). *Early Childhood Workforce Index – 2018*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <http://cscce.berkeley.edu/topic/early-childhood-work-force-index/2018/>.
6. McLean, C., Austin, L.J.E., Whitebook, M., & Olson, K.L. (2021). *Early Educator Pay & Economic Insecurity Across the States in Early Childhood Workforce Index – 2020*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/workforce-index-2020/the-early-educator-workforce/early-educator-pay-economic-insecurity-across-the-states/>.
7. Powell, A., Chávez, R., Austin, L.J.E., Montoya, E., Kim, Y., & Copeman Petig, A. (2022). *“The Forgotten Ones”—The Economic Well-Being of Early Educators During COVID-19*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/the-forgotten-ones-the-economic-well-being-of-early-educators-during-covid-19/>.
8. McLean, C. & Caven, M. (2021). *Why did the child care teacher cross the road? To get to higher pay*. The Hill. Retrieved from <https://thehill.com/opinion/finance/557045-why-did-the-child-care-teacher-cross-the-road-to-get-to-higher-pay>.
9. Center for the Study of Child Care Employment. (2022). *Child Care Sector Jobs: BLS Analysis*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/child-care-sector-jobs-bls-analysis/>.

Exhibit A

Source: Center for the Study of Child Care Employment. (2022). *Child Care Sector Jobs: BLS Analysis*. Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/child-care-sector-jobs-bls-analysis/>.

Total Child Care Industry Jobs Nationwide, Monthly through January 2022

The industry continues its slow recovery following sharp job losses at the start of the pandemic.

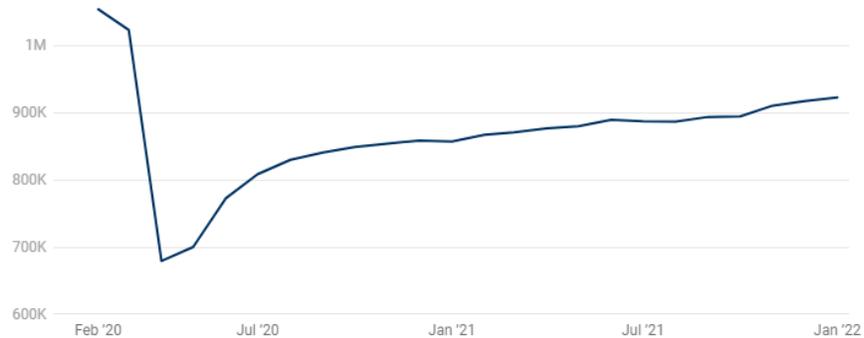


Chart: Center for the Study of Child Care Employment, UC Berkeley • Source: U.S. Bureau of Labor Statistics, "Current Employment Statistics", Series Code: CES6562440001, available at <https://beta.bls.gov/dataViewer/view/timeseries/CES6562440001> • Created with [Datawrapper](#)

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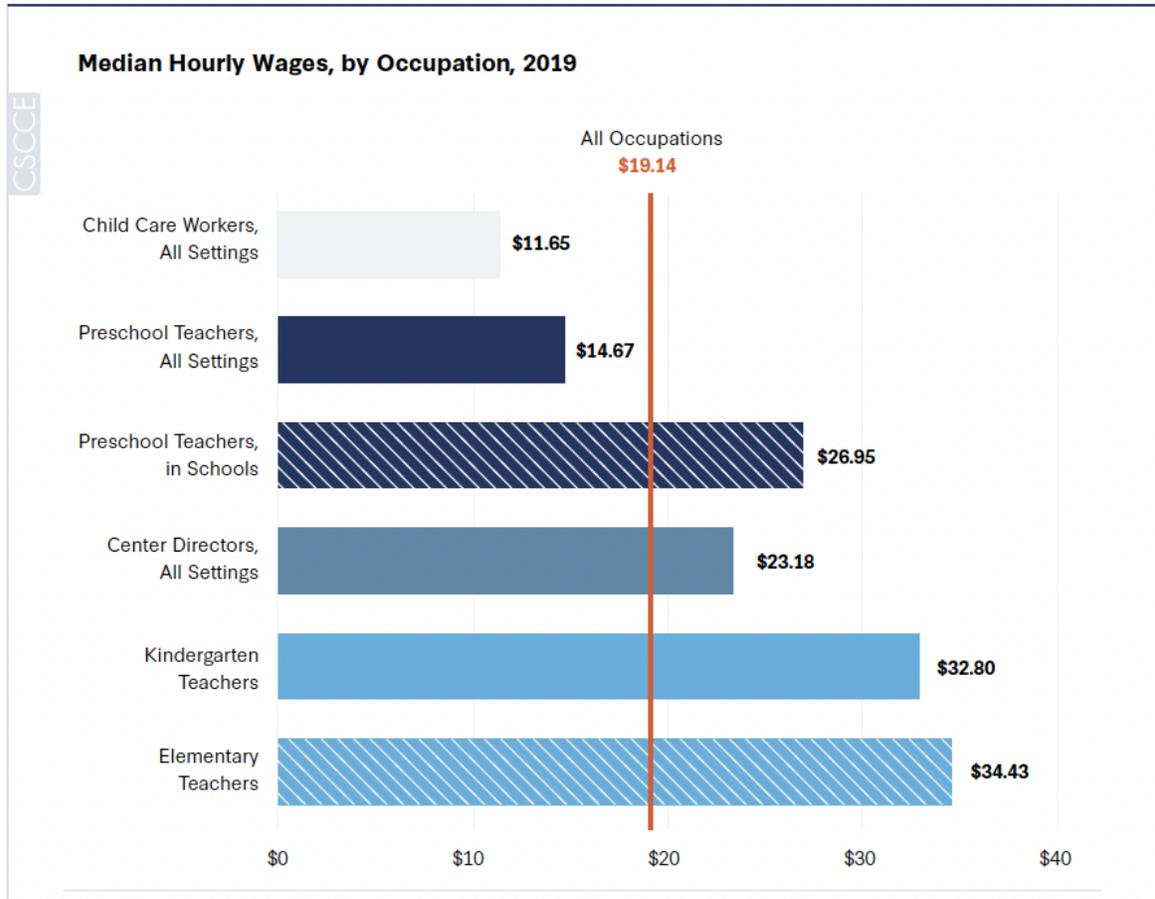
Child care jobs lost
since Feb. 2020

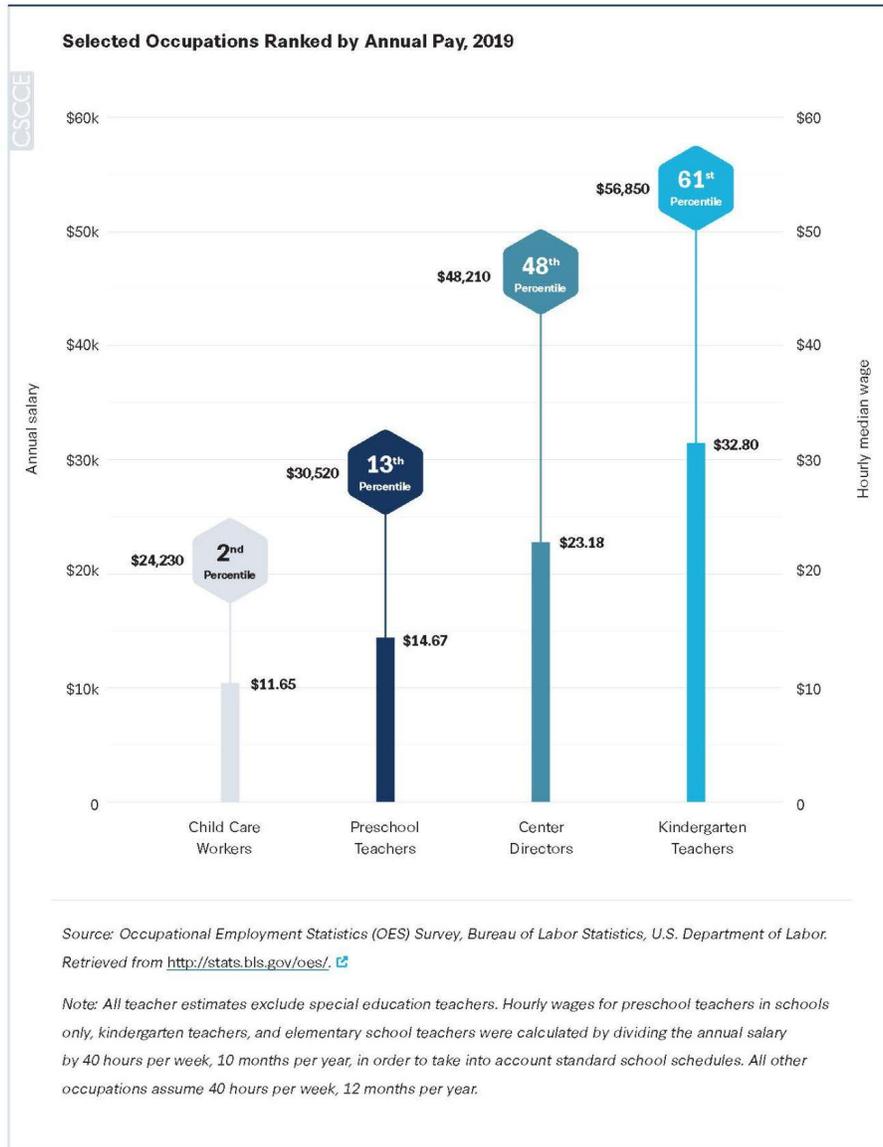
87.6%

Percentage of child
care jobs today
compared to Feb 2020

Exhibit B

Source: McLean, C., Austin, L.J.E., Whitebook, M., & Olson, K.L. (2021). Early Childhood Workforce Index – 2020. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/workforce-index-2020/>.





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Poverty Rates for Early Educators & K-8 Teachers

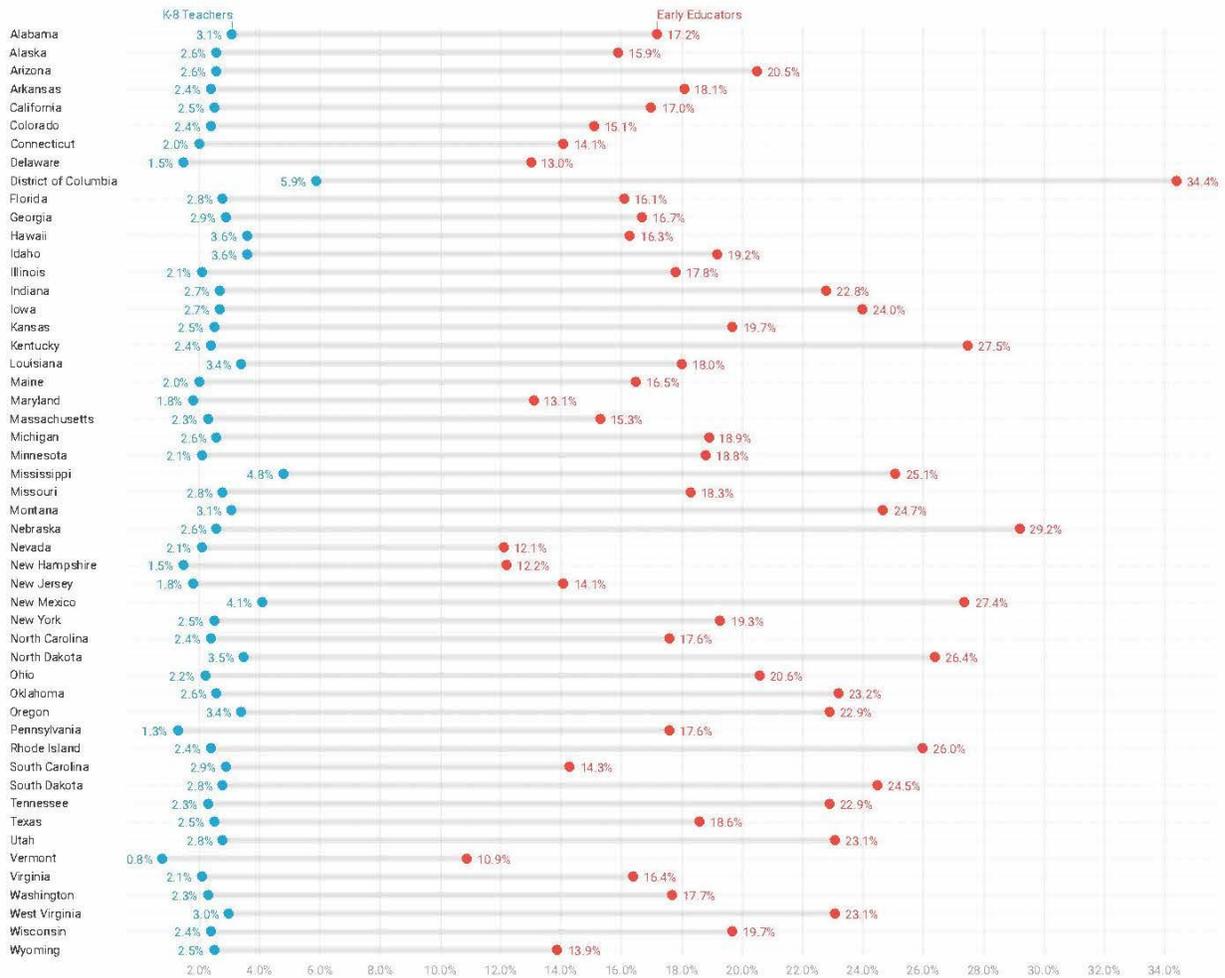


Chart © 2021 Center for the Study of Child Care Employment • Source: Jointly produced by the Center for the Study of Child Care Employment and the Economic Policy Institute, see Gould, E., Whitebook, M., Makhmer, Z., Austin, L.J.E. (2020). Financing Early Educator Quality: A Values-Based Budget for Every State. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from: <https://csce.berkeley.edu/financing-early-educator-quality-a-values-based-budget-for-every-state/>.

Note: Data for early educators include American Community Survey respondents in the child care workers occupational category and in the preschool and kindergarten teachers occupational category with public school workers excluded (as a proxy for excluding kindergarten teachers). • Created with Datawrapper

Exhibit C

Source: Center for the Study of Child Care Employment (2021). The American Rescue Plan: Recommendations for Addressing Early Educator Compensation and Supports. Center for the Study of Child Care Employment, University of California, Berkeley.

<https://cscce.berkeley.edu/arpa-reccomendations-ece-workforce/>.

Using ARPA Funds for Early Care and Education Workforce Compensation and Supports

Funding Source	Primary Use <i>Funding in dollars</i>	Technical Assistance <i>Funding in dollars</i>	Provisions to Address Workforce Compensation	Provisions to Address ECE Systems and Educator Engagement
<p>Child Care and Development Block Grant</p> <p>CCDBG Funding: \$14.99B State Obligation Date: by 9/30/23 State Liquidation Date: 9/23/24</p> <p>Administrative Costs: \$35M State Liquidation Date: 9/23/24</p>	<p>14,990,000,000</p>	<p>35,000,000</p>	<p>Sec. 2201(c): "To supplement not supplant existing CCDF funds" signals that states may increase rates, directing that portions be used for purposes of increased compensation.</p> <p>Sec. 2201(a): Providers who have not previously participated may receive funds through CCDBG, expanding the pool of educators reached with funding.</p>	<p>Sec.2201(b): "For the costs of providing technical assistance and conducting research and for the administrative costs to carry out" CCDBG and Stabilization Fund activities.</p>
<p>Stabilization Grant</p> <p>Child Care Stabilization Grants: \$23.975B State Obligation Date: by 9/30/22 State Liquidation Date: 9/23/23</p> <p>Reservation Funds: Up to 10% of above, same dates</p>	<p>23,975,000,000</p>	<p>2,397,500,000</p>	<p>Sec.2202(e)(1)(a): "Personnel costs, including payroll and salaries or similar compensation for an employee (including any sole proprietor or independent contractor), employee benefits, premium pay, or costs for employee recruitment and retention."</p> <p>Sec.2202(e)(1)(C) and (F): Other allowable costs in support of the ECE workforce include personal protective equipment, and mental health supports.</p> <p>Sec.2202(d)(1): A portion of reservation funds may also be used to "carry out activities to increase the supply of child care," signaling that these funds may be used for retention and recruitment payments directly from lead agencies to educators.</p>	<p>Sec.2202(d)(1): "Provide technical assistance and support for applying for and accessing the subgrant opportunity, publicize the availability of the subgrants."</p>

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Biography

Dr. Lea J.E. Austin is an expert on the U.S. early care and education system and its workforce. As Executive Director of the Center for the Study of Child Care Employment at the University of California, Berkeley, she leads the Center's research and policy agenda aimed at improving the status and well-being of early educators. She has extensive experience in the areas of workforce compensation, preparation, working conditions, and racial equity, and most recently the effects of COVID-19 on the child care workforce. She is a co-author of numerous papers focused on the preparation, working conditions, and compensation of educators, including the *Early Childhood Workforce Index*, *Racial Wage Gaps in Early Education Employment*, and numerous policy statements and recommendations. Dr. Austin earned a master's degree in Public Administration from California State University, Hayward, and a master's degree and Ed.D. in Educational Leadership from Mills College.