The Need
Parents can’t afford to pay more for child care, but programs can’t afford to charge less. This impacts both the quality of care and how many families can access it. The child care system in New York needs greater public investment to ensure care is accessible to all families who seek it and the vitally important child care workforce is paid a sustaining wage.

The Solution
Transition New York to a system that appropriately compensates child care educators for the essential work they do through a three-phase process, starting with immediate wage supplements to stabilize the fragile child care sector.

Why?
Cost is too high
New York is the fifth most expensive state in the country for infant child care, with factors like high costs of living, real estate prices, and, appropriately, a commitment to quality and low child-teacher ratios, driving up costs. These dynamics make care unaffordable for many New Yorkers without leading to sustaining wages for child care educators.

Wages are too low
Despite the valuable services they provide, child care educators make less than 97% of all other professions in New York. Nationally, nearly half of child care providers receive some form of government assistance to support their families, about twice the rate found in the broader workforce.

Capacity is insufficient
A recent survey of providers found that 46% were serving fewer children than they would like, and 38% had longer waitlists than before the pandemic. The most common reason given was “Not enough staff because compensation is too low for recruitment and retention.”

Higher wages lead to higher quality
Research shows that “the most important predictor of the quality of care children received... was staff wages,” but wages are dependent on the financial capacity of families seeking care. Too often this means high quality child care is limited to affluent families, despite considerable evidence that low-income children benefit the most from that care.¹

¹ All data found in this one-pager is drawn from: Fixing-Child-Care-Market-Policy-Brief-12-14-2022.pdf (thechildrensagenda.org)
Three-Year Plan

2023-24 State Fiscal Year – New York’s fragile child care sector needs immediate support in the form of wage supplements, paid directly to child care educators, while the state develops a comprehensive approach to adopting a cost of care reimbursement model. North Carolina’s WAGE$ program and the District of Columbia’s child care worker bonus program each provide a model for New York to follow.

2024-25 State Fiscal Year – The Governor’s Child Care Availability Task Force should be charged, through legislation, with developing recommendations to OCFS to create tiers of higher wage supplements based on education, experience, and credentials. This should be done in consultation with stakeholders and adopted through the 2024-25 state budget.

2025-26 State Fiscal Year – By 2025, New York State and the Child Care Availability Task Force should be prepared to shift to a new funding model based on the true cost of high quality child care, with sufficient funding to support salaries and benefits on par with the public education system (for a similar position with similar education, experience, and other factors).

Why the Solution Works

Fixing the broken child care system in New York will take a commitment from New York State. But the benefits to the state will outweigh those costs. This approach will:

● Stabilize the child care workforce, leading to higher quality care
● Ensure the supply of child care grows to make it available for the hundreds of thousands of low-income families who are now eligible for child care assistance
● Control costs for middle class families with young children, especially those families not yet covered by the state’s expanding child care assistance program
● Raise workforce participation, grow NY’s economy, and raise tax revenues, particularly by encouraging workforce participation of mothers with young children

For Further Reading, Scan This QR Code:

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Higher wages in child care centers are linked to significantly lower rates of annual turnover. This encourages the formation of stable relationships between children and their caregivers which is critical for healthy growth and development.