

# 2023 Southwest Virginia Childcare Labor Shortage Report

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To address the lack of available childcare slots throughout the region, we must first address the childcare provider shortage by encouraging and investing in our region's current and future early childhood educators.

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# Introduction

Access to affordable, quality early childcare has been shown to have far-reaching positive impacts: it provides an early social, emotional, and educational foundation for young children, promotes greater family stability, and allows more people, especially mothers, to enter the workforce (RAPID, 2021). Yet, the childcare ecosystem at the state and national level is in crisis. Childcare providers have been experiencing increased staffing shortages that have only worsened since the COVID-19 pandemic (Bassok & Weisner, 2022). Sites are negatively impacted by staffing shortages that lead to a reduction in the number of available slots and classrooms, with some even closing permanently.

Childcare is crucial to a strong, healthy workforce. Research (Guevara, 2021) has shown that in today's world, the availability of child care often influences a parent's decision to work. A recent national survey (Banghart, 2022; Carson & Mattingly, 2020) among parents in rural communities found that of parents who have a spouse/partner not currently working, over 4 in 5 say child care responsibilities influenced their decision to not work.

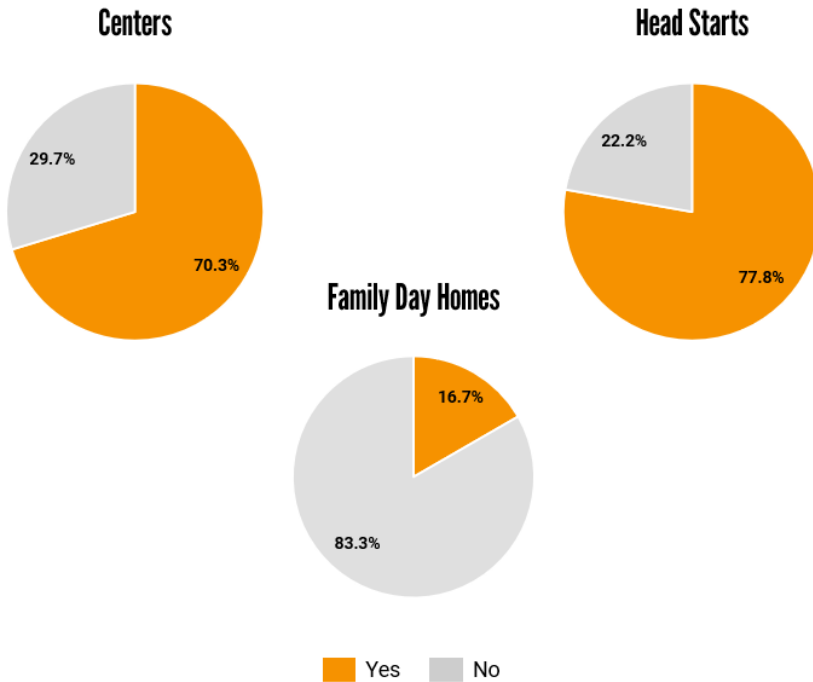
The Southwest Virginia region has a workforce participation rate of 54%, compared to the state's rate of 61% (U.S. Census, 2022). According to maximum estimates based on licensure capacity, the region's 300 childcare providers can serve only 41%\* of children ages birth to five (Virginia Department of Social Services, 2022). With limited childcare to support the workforce, Southwest Virginia is losing young, talented individuals and families who are leaving in search of opportunities elsewhere. The staffing shortages faced within the early childhood education system remains the biggest challenge in addressing the childcare supply. The current report situates the state of the childcare workforce in Southwest Virginia within the broader national childcare crisis.

\*licensure capacity estimates do not represent actual capability. They do not consider staffing and include after-school program numbers. Some programs have been found to operate at less than 50% of licensed estimates.

# LABOR SHORTAGE IN SWVA

A childcare crisis is a labor crisis. Working families without childcare are forced out of the workforce just as childcare providers without access to a reliable workforce are unable to meet the childcare needs of working families.

**Q: Are you struggling to hire staff?**



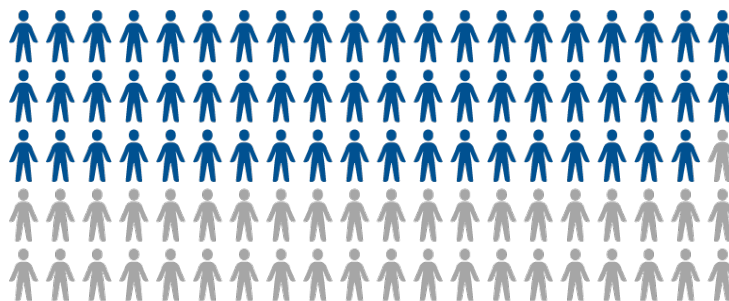
## CHILDCARE WORKFORCE NEEDS

In a survey conducted by the United Way of Southwest Virginia, childcare providers in the region were asked to identify 1) whether or not they were struggling to hire staff and 2) the extent of the labor shortage at their center. 42% of sites in Southwest Virginia responded.

65% of respondents reported struggling to hire staff. Centers (70%) and Head Starts (78%) were more likely to be struggling compared to Family Day Homes (17%). Providers on average had 2 open positions that needed to be filled. This need ranged from as few as 0 to as many as 7. At the time of data collection, 93 teachers were needed among surveyed sites. Reported need was lower in the eastern-most counties. However, this is likely attributed to these counties having fewer childcare centers in general.

Staff shortages do not just increase stress and minimize bandwidth of other providers. It also impacts the center’s ability to serve children. Centers missing staff, on average, were unable to serve 10 children. Reported labor shortages meant that 426 children were not being served that otherwise could have been.

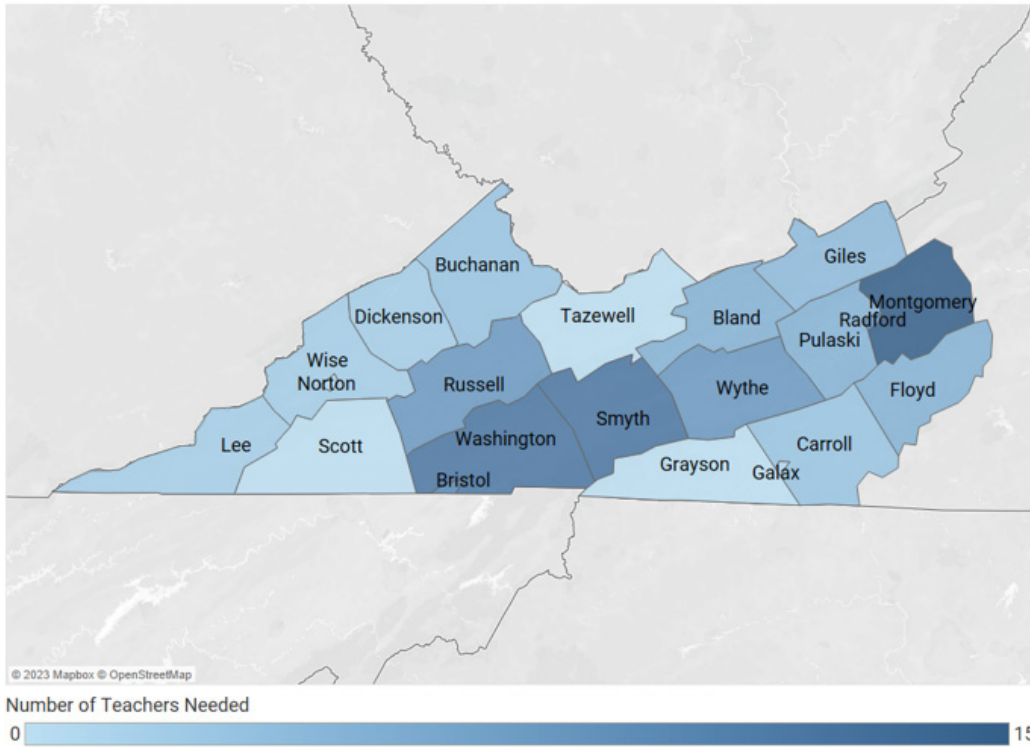
**59%** KIDS WITHOUT ACCESS TO CHILDCARE IN SOUTHWEST VIRGINIA



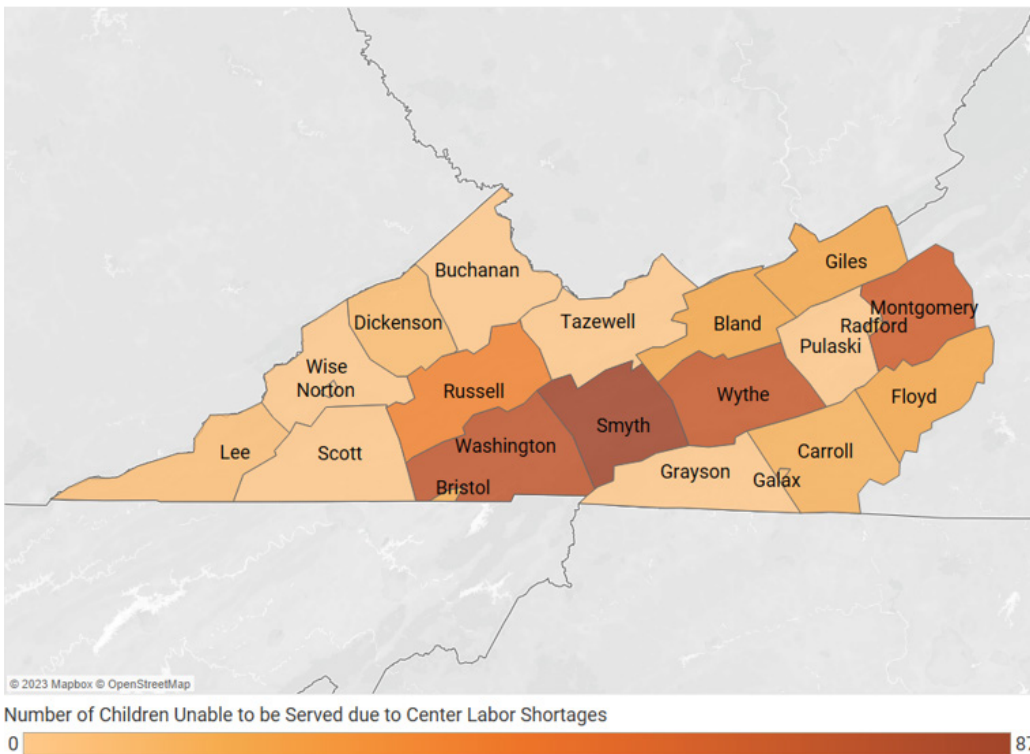
■ = kids without access to childcare    ■ = kids with access to childcare

# LABOR SHORTAGE MAPS

### Reported Number of Teachers Needed by Locality

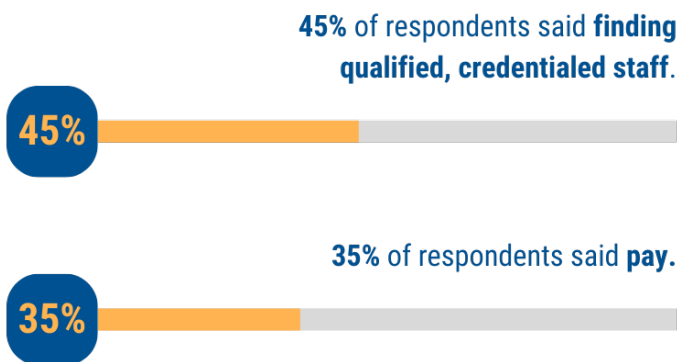


### Reported Number of Children Impacted by Labor Shortage by Locality



# BARRIERS TO HIRING STAFF

When childcare providers were asked what their biggest barrier to hiring was....



## QUALIFIED, CREDENTIALLED STAFF

45% of respondents said that finding qualified, credentialed staff was their biggest barrier to hiring. In the state of Virginia, the path to becoming an early education teacher has various requirements and steps before entering the classroom. Teachers need at least a high school diploma or the equivalent and must have at least 24 hours of qualified professional development. Secondary education degrees or credentials or at least six months of prior experience is required (Virginia Administrative Code). This means that aspiring educators may be spending up to two years receiving training.

Although alternatives to secondary degrees are available that expedite the path to the classroom, more education leads to the likelihood of higher wages. Furthermore, turnover in the workforce is high. From fall of 2021 to fall of 2022, 37% of early educators in the region left their position (The Study of Early Education through Partnerships, 2023). In addition to a limited pool of workers, keeping those workers in their positions and their classrooms open can be a constant battle.

## PAY AND BENEFITS

35% of respondents said that pay was one of the biggest barriers to hiring and retaining staff. By some estimates, childcare workers make 40% less than similar workers in other occupations (ASPE, 2023). In Southwest Virginia, the average annual income was \$23,040. To place this salary into context, the poverty guideline for a family of three is \$24,860 (ASPE, 2023), and studies have found that nation-wide, 15% of childcare workers live below the poverty level (Economic Policy Institute, 2015).

Virginia's childcare workers have been found to have high rates of participation in public assistance (The Commonwealth Institute, 2022). Already straddled with low pay and tight budgets, it is rare that childcare jobs provide benefits to cover the costs of health and well-being. Compared to 50% of workers in other labor sectors, only 15% of childcare workers nation-wide are provided health insurance through their jobs (Economic Policy Institute, 2015).



In addition to a **limited pool** of workers, **keeping** those workers in their positions and their classrooms **open** can be a **constant battle**.

# Summary

The childcare provider shortage in Southwest Virginia parallels the issues that are happening state- and nation-wide. However, childcare in rural areas, and particularly Appalachia, is already significantly more difficult to access than in urban areas (Center for American Progress, 2022) even before considering the workforce crisis. Currently, best-case estimates of childcare availability in Southwest Virginia can only serve 41% of children. 426 of those slots being unavailable due to a lack of providers puts a large burden on families and the economy of the region. While the region would benefit from the expansion of affordable, quality childcare centers, a strong, healthy workforce of early childcare educators needs to be encouraged and invested in.

## How Do We Solve These Issues?

United Way of Southwest Virginia, in partnership with the New River/Mount Rogers Workforce Development Board and the Southwest Virginia Workforce Development Board, are working to provide solutions to address the labor force gap in child care and expand critical access to families in or seeking to enter the workforce. The Early Childhood Education Career Pathway Project is recruiting, training, and placing new early childhood educators, as well as providing professional development and training to existing child care workers. The program is also increasing engagement with the emerging workforce to build a pipeline of future workers pursuing careers in early childhood education. A Shared Services Alliance will provide back-office support and services to providers, leading to an increased occupational capacity for centers and reduced costs for families.

Through these strategies, this project will address gaps in rural economic ecosystems, allowing families to go back to work while providing quality, accessible care to our region's children.

Learn more and keep up with the progress of this initiative by visiting our website:  
[www.unitedwayswva.org/laborshortage](http://www.unitedwayswva.org/laborshortage)

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