



Addressing Child Care Gaps

Key Facts

According to the 2023 Cost of Care Report, families are spending, on average, 27% of their household income on child care expenses. This report also says that 59% percent of parents planned to spend more than **\$18,000 per child** on child care in 2023.

The Bank of America Institute said the average child care payment per household has risen over 30% since 2019 for its customers. Middle- and upper-income families — those with annual income of \$100,000-\$250,000 — experienced the biggest jump.

The COVID pandemic resulted in nearly 9,000 daycares having to close.

There is a shortage in the supply of qualified child care workers, due to low wages and benefits, limited incentives for professional development opportunities, and demanding work conditions.

The Bipartisan Policy Center found that a scarcity of child care options resulted in 48% of rural parents experiencing missed work shifts, leading 38% to leave the workforce entirely.

Overview

The Virginia Tech Center for Economic and Community Engagement (VT CECE) is partnering with the [Partnership for Regional Prosperity](#) and [Center for Early Success](#) in Danville, VA, and the [New River/Mount Rogers Workforce Development Board](#) to address child care gaps. A lack of affordable and high-quality child care is a challenge that not only faces Virginia but the United States as a whole.

In the Danville-Pittsylvania County region, VT CECE found that out of the nearly 700 parents they surveyed, only 6 percent were completely satisfied with child care offerings and 15 percent were mostly satisfied.

According to the study, 52 percent of the Danville-Pittsylvania County region is considered a child care desert — with either no providers or so few options that there are more than three times as many children as licensed child care slots.

With the New River/Mount Rogers Workforce Development Board, VT CECE is evaluating the Ready SWVA child care program, which is led by the nonprofit [EO](#) and part of the statewide [Ready Regions](#) program. VT CECE is also analyzing available child care career pathways with New River/Mount Rogers.

Recommendations

- Collaborate to inform parents about the existence of child care subsidies
- Promote employer awareness of child care advantages and methods to establish on-site or subsidized child care
- Identify, promote, and grow programs for child care worker training and professional development
- Identify and grow financial support for child care providers to compensate workers for training and education
- Explore offering early child care apprenticeship programming to provide hands-on training and mentorship opportunities
- Make creating before-school and after-school programming at schools a priority
- Establish a shared services model for recruiting, tuition, registration, and payroll among child care centers
- Collaborate with providers to ensure they have access to the maximum amount of public funding sources
- Partner with new and existing providers and businesses to explore opportunities for corporate-sponsored support

[Read the full VT CECE report here.](#)

Child Care Workforce Needs

The child care industry faces a critical workforce shortage, which is exacerbating the gaps in access to quality care. A combination of low wages, limited professional development opportunities, and challenging work conditions has contributed to high turnover rates and difficulties in attracting and retaining qualified staff.

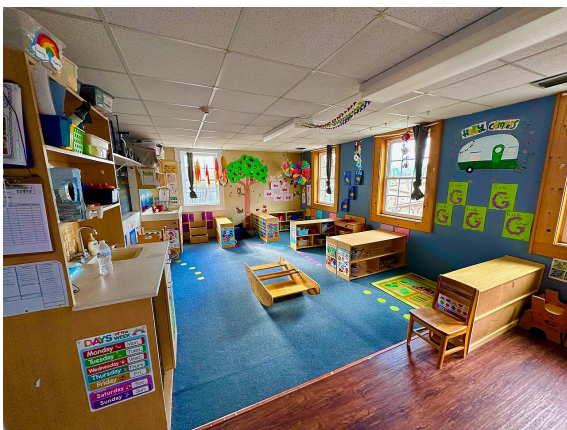
Increased Compensation: Competitive wages and benefits packages are essential to attract qualified workers. Financial incentives such as signing bonuses, retention bonuses, and paid time off can help make the profession more appealing. Additionally, the positions often lack benefits packages, making the opportunities less attractive.

Professional Development: Providing accessible pathways for career advancement is a key component of workforce development. Offering training programs, certifications, and ongoing education not only improves the quality of care but also supports long-term employee retention. Programs such as early childhood apprenticeships allow participants to engage in hands-on learning while earning a credential, increasing both worker satisfaction and competency.

Workplace Conditions: Child care is a demanding job, often leading to burnout. To combat this, creating supportive work environments that prioritize employee well-being is critical. Offering flexible schedules, mental health resources, and manageable teacher-to-child ratios can improve overall job satisfaction and performance.

Partnerships with Educational Institutions: Collaborating with local community colleges, workforce development boards, and training centers can build a pipeline of skilled workers. By aligning educational programs with the needs of the child care industry, institutions can help develop a workforce that is better prepared for the challenges of early childhood education.

Employer-Sponsored Programs: Encouraging businesses to sponsor or subsidize child care services for their employees can not only provide more child care options but also ensure stable employment for care providers. These initiatives can foster stronger community ties and highlight the importance of child care as part of the local economy.



Daycare center. Photo by Harrison Keely. Wikimedia Commons.

On-Site Child Care: Red Rooster Coffee

VT CECE raised on-site child care as a possibility in the report they developed with the Center for Early Success. VT CECE found examples of this model in Tennessee, where a Tyson Foods plant opened an employer-sponsored child care facility, and in Floyd, Virginia, where Red Rooster Coffee provides an on-site child care facility that is convenient and affordable.

Red Rooster Coffee's on-site child care facility, called the Yellow Hen, is 1,300 square feet and has been approved to care for a maximum of 12 children at a time. Red Rooster will subsidize 70 % of the child care cost for its employees.

“As a parent, I can also say that there are not a lot of options for child care in rural Appalachia, so we wanted to make this facility very education minded,” Red Rooster Co-Owner Haden Polseno-Hensley told Daily Coffee News. “We got lucky by being able to hire two very talented teachers who are certified in the Montessori method, so our kids are being educated, not just overseen.”

More organizations could follow this model, and it would be especially helpful for second- and-third shift workers where child care options are harder to come by.

[Read the full article here.](#)

