Childcare in the Upper Valley: Challenges, Successes, and the Way Forward
3 out of 5 of Vermont’s youngest children don’t have access to the child care they need.
• Middle-income families with two parents and two young children are spending more than 40% of their income on child care.
• The Vermont Department of Labor has projected that between 2012 and 2022, almost 70% of child care worker positions that become available in Vermont will be due to turnover.
• 87% of child care centers in NH are experiencing staffing shortages
•When parents are able to stay in the workforce, they benefit from increased earnings, retirement savings, tax revenue, health insurance and other career compensations.
• In reflecting on their own time in the field, 21% of New Hampshire respondents said they were considering leaving their program or closing their family child care within the next year.
Childcare in the Upper Valley: *Data snapshot*

Jess Carson, Ph.D.
Research Assistant Professor
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Need for childcare

• About 9,500 children under age 5 live in the Upper Valley
• 70 percent of those children live in families where all available parents work (about 6,600 kids)

• In 2018, we asked 700 Upper Valley parents whether childcare was necessary for them to work: **96 percent** said yes.

Source: Carsey School of Public Policy analysis of data from U.S. Census Bureau American Community Survey 2019 5-year estimates & 2018 Upper Valley Early Childhood Education Survey.
Upper Valley’s childcare landscape

- There are 197 licensed or registered childcare providers in the Upper Valley, with a capacity 5,071 slots (summer/fall 2021).
- Represents a 12% loss in providers and a 2% loss in slots since our last regional update in 2017.
- Licensed or registered slots aren’t always fillable due to staffing, and aren’t evenly available across space or family needs.

Source: Carsey School of Public Policy analysis of licensing data from New Hampshire Child Care Licensing Unit and Vermont Child Development Division
About 82 percent of providers on the Vermont side of the Upper Valley recorded vacancy data in 2021.

**One in 5 providers reported any vacancies.** Just 1 in 20 infant providers did.

- **Infant providers:** 3 out of 60 providers reported one or more vacancies. 57 reported no vacancies.
- **Toddler providers:** 9 out of 59 providers reported one or more vacancies. 50 reported no vacancies.
- **Preschool providers:** 16 out of 78 providers reported one or more vacancies. 62 reported no vacancies.

Source: Carsey School of Public Policy analysis of licensing data from Vermont Child Development Division. Provider counts among those who supplied vacancy data recorded as last updated sometime in 2021.
Why is supply so constrained?

- Childcare is a labor-intensive business model, requiring lots of staff whose wages cannot be truly offset by tuition.
- Knowing the importance of early learning, education and training requirements for workers have grown, yet wages haven’t.
- Workforce shrunk by 100,000 childcare workers (10%) between February 2020 and September 2021.

Source: Bureau of Labor Statistics
| Annual mean wage of childcare workers | Southern Vermont nonmetropolitan area | $35,100 |
| Annual mean wage of next-highest paying occupation in ranked list | West Central-Southwest New Hampshire nonmetropolitan area | $29,060 |
| (printing press operators) | | $35,250 |
| (couriers & messengers) | | $29,260 |

Note: Selected nonmetropolitan areas are the available geographies most closely aligned with the Upper Valley.
What happens when workers don’t have childcare?

• The pandemic has provided a sharp illustration, especially for women.

• Effects continue as 25 percent of New England households with a child under 12 reported a childcare disruption in the past 4 weeks (surveyed in September and October 2021).

Source: Carsey School of Public Policy analysis of U.S. Census Bureau’s Household Pulse Survey data, Weeks 37-39. Estimates are calculated using household-level replicate weights.
“Which of the following occurred in the last 4 weeks as a result of childcare being closed or unavailable?”

As a share of all New England households with a child under 12.

Source: Carsey School of Public Policy analysis of U.S. Census Bureau’s Household Pulse Survey data, Weeks 37-39. Estimates are calculated using household-level replicate weights.
Long-term solutions for a long-term problem

• The issues facing the sector are entrenched and persistent.
• COVID relief funds help but such an enduring structural problem isn’t corrected with a one-time investment.
• Opportunities to invest in strategic ways for long-term stabilization
NH Policy Landscape

Christina D’Allesandro
Director of Early Childhood and Family Supports
History of childcare in NH

- Limited state investment
- High scholarship threshold very low utilization
- No state PreK investment
- PDG grant, Council for Thriving Children
COVID investments

- The focus is on childcare
- Historic investment, but still struggling
- EIDL loans, PPP loans
- Multiple grant programs – state allocated (GOFERR), federal targeted
- Many programs (CCRSP, CCCAS, CRRSA)
Current funds and looking ahead

- ARPA: Stabilization CCASP
- Highly Flexible Discretionary
- County and City dollars
- Build Back Better?
What does the future look like?

- Address short term need alongside long-term change
- Ensure that NH maximizes any new federal investments
- Balance the care of infants and toddlers alongside preschoolers
- Ensure the early childhood system reflects changes in work and parent preference
Thank you to our speakers and partners!

- Children’s Center of the Upper Valley
  - City of Lebanon
  - Couch Family Foundation
  - Creative Kids Adventures
  - Dartmouth-Hitchcock
- Early Care & Education Association of the Upper Valley
  - Economic Transformation Group
  - Greater Upper Valley Integrated Services
    - Hypertherm
    - Let’s Grow Kids
  - New Hampshire Charitable Foundation
    - Ruger
  - Town of Newport
  - University of New Hampshire
    - Upper Valley Parents
    - Vermont Creamery
- Vital Communities’ Corporate Council
- Vital Communities’ Municipal Leaders Group