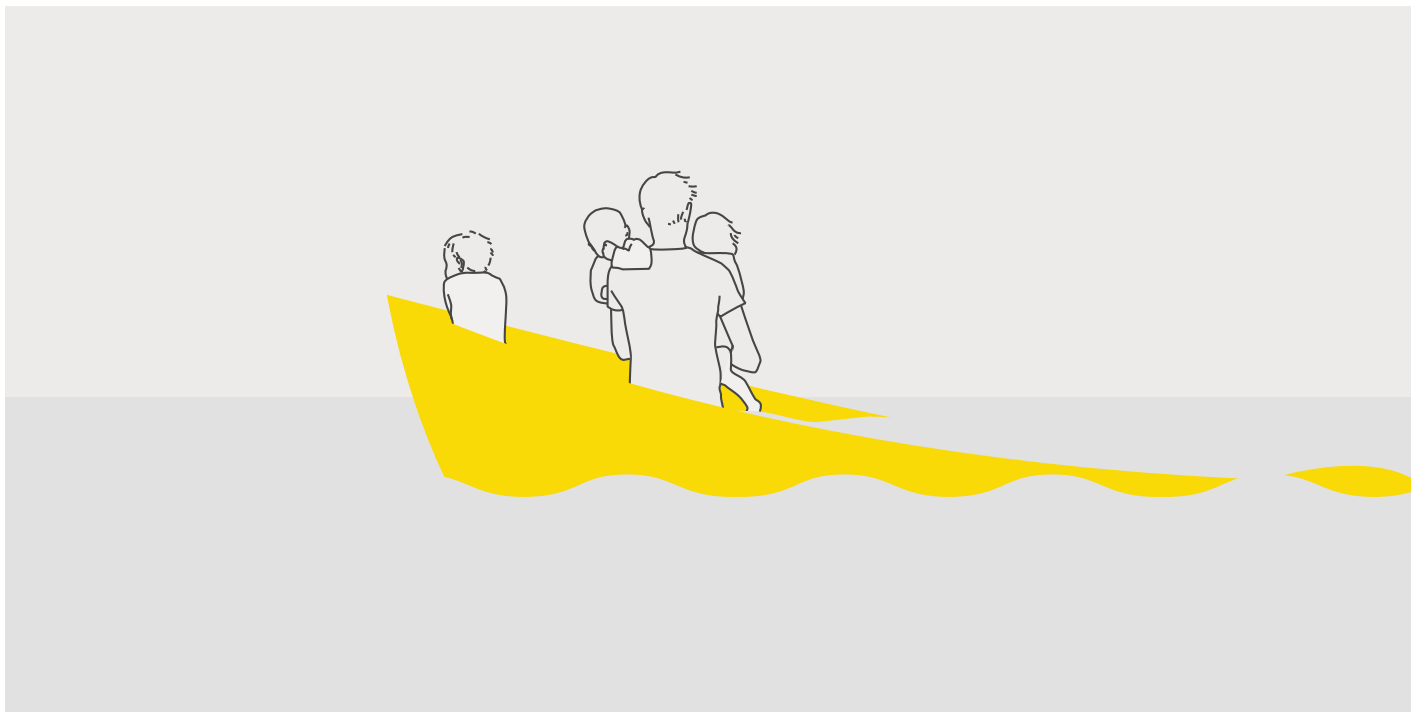


STUDENT DEBT IN THE EARLY CHILDHOOD WORKFORCE

Economic hardship within the early childhood workforce is compounded by low wages and significant debt, including student debt.

The RAPID Survey of the early childhood workforce has been ongoing since March of 2021. During that time, we have surveyed over 2,500 providers from around the US to understand their overall well-being, economic circumstances, and working conditions. Our sample includes center-based teachers and directors, home-based providers, family, friend and neighbor providers, and babysitters/nannies. Across the monthly surveys we have conducted over the past year, on average, more than one in three providers is experiencing at least one area of material hardship.*

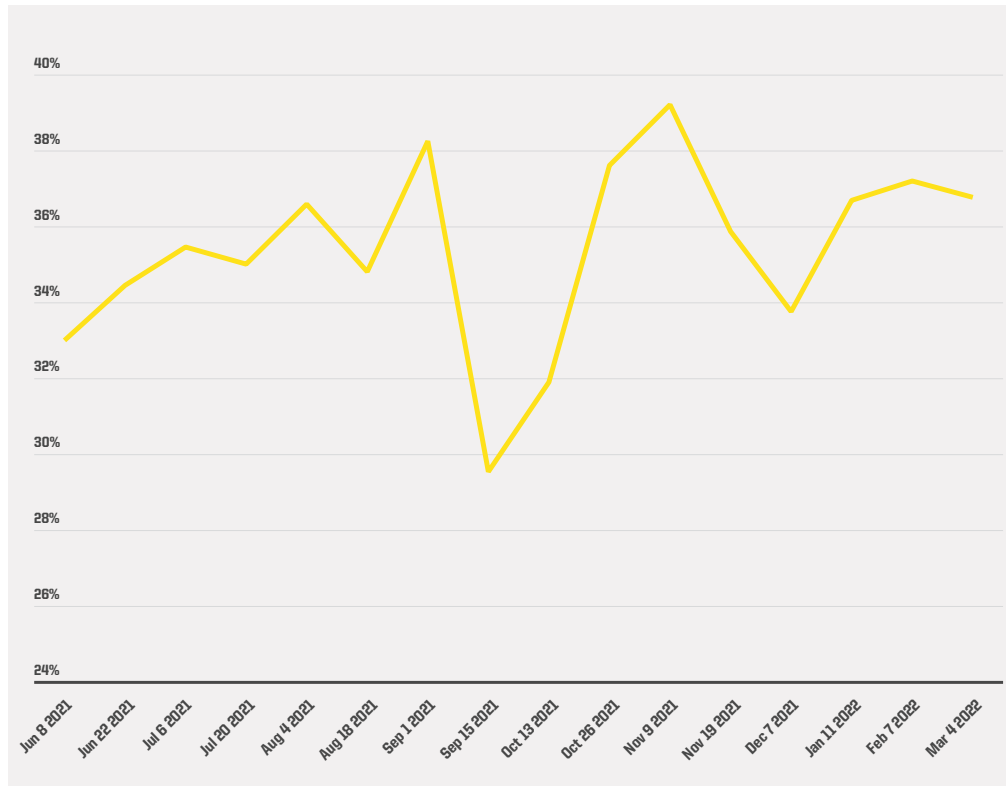
*
i.e., difficulty paying for basic needs such as food, housing, and utilities.



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MATERIAL HARDSHIP AMONG CHILD CARE PROVIDERS CONTINUES

Percent of providers reporting material hardship



Our data show that the early childhood workforce has been and continues to be stressed and stretched, the result of a combination of low pay and limited benefits.

In addition, the severe and pervasive economic hardship within the early childhood workforce is compounded by significant debt, including student debt. In our March 2022 survey of 802 child care providers, 19% reported that they had student debt (compared to 17% of the US adult population overall*), and 17% reported that they were carrying educational debt for others. The median hourly wage for child care providers (\$13.22)

makes it unlikely that many will be able to pay off student loan debt over time.

Because low wages fuel high turnover, these stresses and hardships result in disrupted care for families and fewer supportive relationships with kids. Addressing these issues will rely on prioritizing policies that significantly increase workforce compensation including standard benefits like health insurance and retirement benefits, coupled with alleviating debt, including student loans, and free, appropriate training and credentialing to meet quality goals.

*

According to the Federal Student Loan Portfolio, there have been 43.4 million student loan recipients by the first quarter of 2022, which accounted for 17% of the U.S. adult population (258.3 million).

The severe consequences of carrying student loan debt are voiced by the early childhood workforce in response to the RAPID survey question: What are the biggest challenges you are facing right now?

“My student loans aren’t on hold—they didn’t qualify. I now owe 2k more in student loans than I started with, and I’ve had loans since 2007. I’m 52 and have NO savings and no retirement because of my choice to continue to care for children. During the pandemic I’ve cared for children without pay, taken reduced pay, gave up vacation time, etc. I’m emotionally & physically drained. Something needs to change.”

Provider in Wisconsin

“We lost our living arrangement. My 14-year-old daughter and my 10-year-old son are on a bunk bed in our 1 bedroom, and I sleep on a couch in our living room which is also where our child care families enter. We have no privacy. No days off. No way of renovating or adding space because no bank will loan me money to fix these major issues because of my student loans and bad credit destroyed by helping families that could not afford to pay what proper childcare costs.”

Provider in Indiana

“[The biggest challenge is] student loans—they are larger now than when they were taken out over 10 years ago, despite paying monthly and not qualifying for a break from payments due to COVID.” **Provider in Wisconsin**

“[I am] very worried about re-starting paying back of student loans.”

Provider in California

“My spouse and I have student loans and when the payments resume on those student loans my husband and I will not be able to afford basic necessities, like healthcare for my husband who is type one diabetic and mental health care for me.”

Center Director in New York

“Canceling student loans could really change people’s lives and help them be able to provide for their families.”

Provider in Missouri

“[The biggest challenge is] money, living pay check to pay check. We were not living that way prior to the pandemic. But due to lost wages last year, we had to take out two consolidation loans, take an extra loan on the back end of our mortgage, and are still struggling to get caught back up on everything else. If our student loans begin being collected then will not be able to afford anything.” **Provider in New York**

We will continue to monitor trends in economic hardship, including the burden of student loan debt, among the workforce.

ABOUT THE RAPID PROJECT

Data presented in this fact sheet on providers' material hardship are based on responses collected from 1,730 child care providers between June 2021 and March 2022. These providers represent a range of voices: 8% are Black/African American, 17% are Latinx, and 35% live at or below 200% of the federal poverty level. In addition, analyses on providers' debt in March 2022 were based on 802 caregivers (7% Black/African American, 9% are Latinx, and 47% live at or below 200% of the federal poverty level). Proportions/percentages are calculated based on the item-level response rates, not the total sample. The data for these analyses are not weighted.

The RAPID project includes a survey of caregivers with children under age 6 and a survey of child care providers and other adults who care for children under age 6.

These surveys are designed to gather essential information continuously regarding the needs, health-promoting behaviors, and well-being of children and their families and important adults in their lives.

RAPID collects data monthly from 1,000 caregivers and child care providers in all 50 states. The surveys are national in scope, though not technically nationally representative. RAPID collects snapshots of data across time and can also assess trends longitudinally.

For more information about RAPID study design and methods, see [here](#).

RAPID is under the direction of Philip Fisher, PhD, Director of the newly formed Center on Early Childhood at Stanford University

1,000+

surveyed
bi-weekly

97

surveys

17,000+

unique
households

50

US states

