Child care is a significant problem in Iowa – families need care for their children but it is hard to find and hard to afford. Child care businesses are doing their best, but continue to face shortages in their workforce. Findings from the 2023 Iowa Child Care Workforce study suggest that higher wages are the first and most effective solution to enable child care businesses to both recruit and retain staff – which is key to a sustainable business. Low compensation drives out employees and makes it difficult to recruit staff.

Five key recommendations developed by a statewide advisory committee align with national recommendations (Center for the Study of Child Care Employment, 2020) and provide a framework for how Iowa can support a more sustainable child care workforce:

1. We need to find sustainable ways to raise the wages of our child care workers.
   - There is no child care without child care workers. The current broken market does not adequately compensate workers for their role in developing children’s brains and supporting our state economy so children’s caregivers can participate in the labor market. Increased wages will decrease reliance on public assistance programs, alleviate staffing issues and burnout, and allow programs to fill empty classroom slots and increase program revenues.
   - To support the child care workforce, Iowa can strive to pay child care workers an equivalent salary to workers in the K-12 system with equivalent education and experience.

52% of those who left said they would have stayed but compensation and benefits are not enough.
"I do feel like we have to increase our hourly starting pay to compete with places that we lose staff to. Around here it's Casey's."
[Administrator 602]

"I would say our biggest issue is our starting pay for our area. ...I'm lucky right now that I just happen to have a great group of people I work with, who show up every day, but when one does call in sick, or they need time off, it's hard. I get pulled from room to room wherever I need to fill in."
[Administrator 704]

"People can say what they want, 'Oh, no nights, no weekends,' It does not matter if they can't pay their bills. They're going to go to the job that's going to pay their bills and that's just a fact, and I can't fault them for that."
[Administrator 601]

2. In addition to competitive wages, the child care workforce needs access to benefits such as health insurance, paid leave, and retirement supports.
   • Statewide support for benefits access such as healthcare, dental insurance, short term disability, and retirement can support and incentivize child care workers.

3. Work to ensure members of the child care workforce have a good work environment.
   • Opportunities for ongoing professional development, policies and practices that support adequate onboarding, sufficient staffing, paid planning time, and the opportunity to shape the climate of the work place. Systems to collect and disseminate information on successful ways providers recruit and retain staff should be shared across child care businesses.

4. Ensure Iowa has a robust system for collecting ongoing data about the needs of the workforce.
   • Policy makers have access to little data on the workforce needs. Supporting comprehensive data collection will help answer key policy questions and can be done by creating workgroups with dedicated data system team members to gather, integrate, and share findings.

5. We need to clarify (mis)understandings about current programs that exist in Iowa to support child care businesses.
   • T.E.A.C.H. and WAGE$ have had a positive impact, but findings uncovered that some providers are unsure or unaware of the programs to support their workers. Hesitation to use the programs come from worry that these programs have limited funds or that they are short-term solutions to a long-term problem. To address this, creating a warehouse of supports available to the workforce will generate better understanding and easier access to providers.