CRADLE TO CAREER POLICY INSTITUTE

FROM CHILD CARE INVESTMENT TO WORKFORCE OUTCOMES: USING DATA TO TELL THE STORY

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Policy Context

Start End	Oct 2019- July 2021	Aug 2021- April 2022	May 2022- Oct 2025	Nov 2025- Oct 2026
Eligibility	200%	350%	400%	All families eligible
Exit	250%	400%	425%	All families eligible
Copays	Income based, no waiver	Waived to 200%, sliding scale above	Waived for all	Waived for all

Policy investments in child care:

- Establishment of state cabinet-level department dedicated to early childhood
- Expanded access to subsidized child care for families
- Increased subsidy reimbursement rates to providers
- Workforce supports (teacher scholarships, wage supplements)

- Initially funded using federal COVID relief dollars
- Maintained using state general fund, early childhood trust fund, state permanent fund

Research Goals

Project: 5- year research grant funded through U.S. Dept. of Health and Human Services (2024-2029)

Research questions: Understand whether these state investments are improving:

- Compensation and working conditions for child care professionals
- Recruitment and retention in the sector
- Access to quality child care for families

Methods:

- Analyses of administrative secondary data on 1) family subsidy use; 2) provider quality and supply; 3) key workforce outcomes (i.e., wages, workforce size)
- Panel survey of child care teachers (center-based)
- Interviews with child care owners/directors (home- and center-based)
- Upcoming: interviews with teachers who left the field and higher ed students/stakeholders

What do we know about the workforce?

- What data are available?
- For each data source, what is it?
- How can each source contribute to the story?

Data Inventory

Table 1. Overview of Data Sources

	Relevant Dates of Availability	Geographies	Who are Included/ Excluded in Data?	Unit of Data Availability	Available Fields	Completeness of Data	Suitable for Observing Change Over Time?	Suitable for Tracking Employment Continuity?
BLS Occupational Employment and Wage Statistics (OEWS)	Annual files from May 2012 to present	National, state, select metro and non-metro regions (e.g., Albuquerque, Las Cruces)	Workers included in Standardized Occupational Classification (SOC) codes such as Child Care Workers and Preschool Teachers Excludes teachers in elementary school settings and home-based settings without employees	Aggregated	By SOC code: State/MSA-level estimated total employment, hourly/annual wages (mean, median, percentiles)	Sample includes only businesses reporting to state UI system	Yes	No
BLS Quarterly Census of Employment and Wages (QCEW)	Quarterly files from 1990 to present	National, state, Metropolitan Statistical Area (MSA), county	Businesses included in industry-level (NAICS) code who report to state UI programs NAICS code 624410 includes establishments providing care for infants and children (day care centers and preschools); excludes elementary school settings and home-based settings without employees	Aggregated	By NAICS code: number of establishments (quarterly), employment (monthly), and wages (quarterly with average weekly wage for each quarter)	Sample includes only businesses reporting to state UI system	Yes	No
BLS Current Population Survey (CPS)	Basic Monthly Files since 1994; Annual Social and Economic	State estimates (county and city-level	Household survey for civilian, noninstitutional population age 16	Aggregated	Number of employed, unemployed, labor force	State-level sample size is likely too small to provide	Yes, except for 2014 changes to income and	No

To see the full brief:

Things to know

- Some data publicly available, other data required a MOU with a state agency
- Interpreting results across different data
- Causal interpretation can be elusive

Workforce Size and Wages

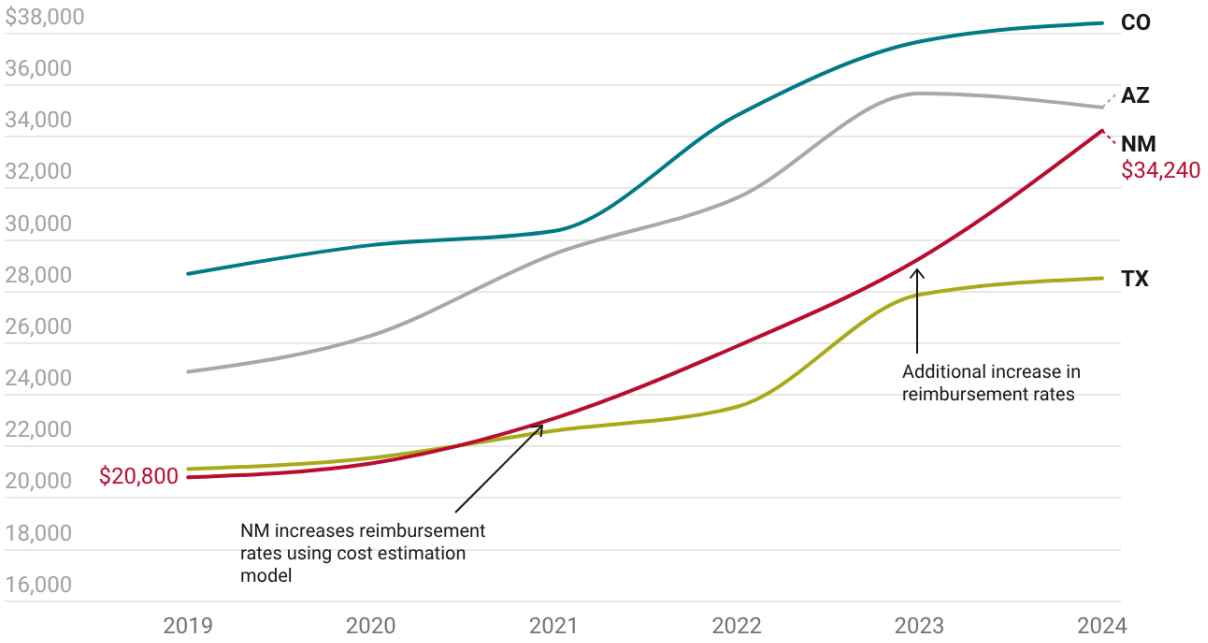
BLS OEWS data (2019-2024)

- Median annual wages grew 65% in NM from 2019 ($20,800) to 2024 ($34,240) (national average 32%)
- 64% growth in the workforce size (national decline 7.4%)

NMDWS UI Wage Data (2019-2024)

- Median annual wages grew 58.8% from 2019 ($19,587) to 2024 ($31,110)
- 7% growth in the workforce size

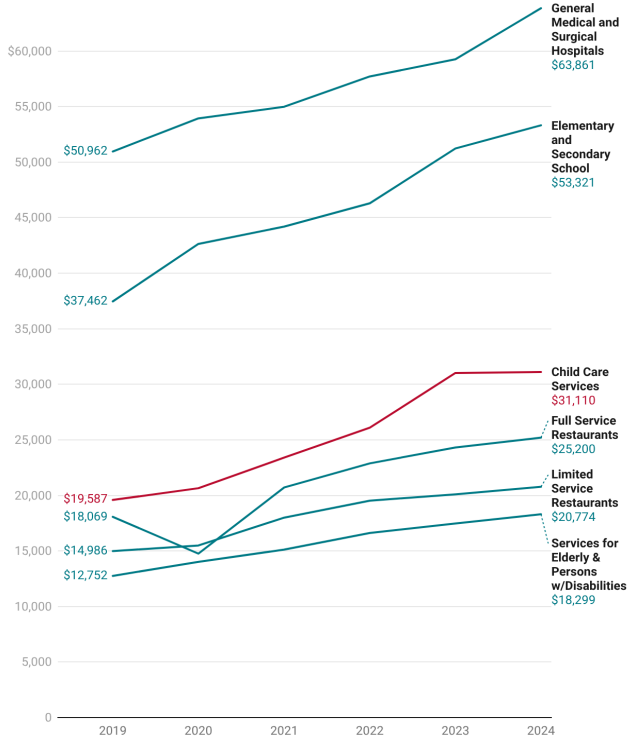
OEWS Data



Occupational Employment and Wage Statistics (OEWS) program data from the Bureau of Labor Statistics. Annual estimates of employment and wage levels for over 800 occupations, including the childcare workers occupation (39-9011).

Chart: UNM CCPI • Source: Bureau of Labor Statistics • Created with Datawrapper

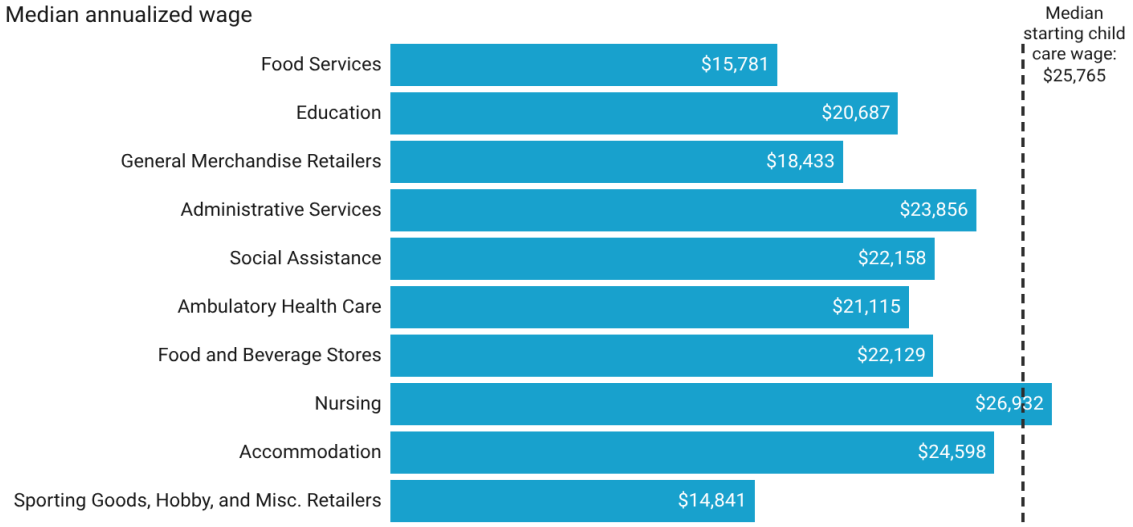
UI Wage Data



Unemployment Insurance (UI) wage data from the New Mexico Department of Workforce Solutions. State laws mandate quarterly reporting of employee earnings by employers. This shows the median annualized wages from 2019 to 2024 for the child care services NAICS code and other select industries.

Chart: UNM CCPI • Source: New Mexico Department of Workforce Solutions • Created with Datawrapper

UI Wage Data



All wage values represent full quarter quarterly wages annualized (multiplied by four) for interpretability. Median starting wage in child care is the median wage in the first full quarter of employment for child care workers who started in the industry in 2024 and who had not worked in child care in New Mexico since at least 2013. Median wages by industry reflect individuals who had at least one full quarter of employment in that industry in the year before starting in child care. Individuals may be represented in more than one bar if they worked in more than one industry in the year before starting in child care. Industries are defined by NAICS code as follows: Food Services (722, Food Services and Drinking Places); Education (611, Education services); General Merchandise Retailers (455, General Merchandise Retailers); Administrative Services (561, Administrative and Support Services); Social Assistance (624, Social Assistance); Ambulatory Health Care (621, Ambulatory Health Care Services); Food and Beverage Stores (445, Food and Beverage Stores); Nursing (623, Nursing and Residential Care Facilities); Accommodation (721, Accommodation), and Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers (459, Sporting Goods, Hobby, and Misc. Retailers).

Chart: UNM CCPI • Source: Unemployment Insurance wage data • Created with Datawrapper

ECECD Administrative Data – Licensing (Providers)

Providers	Spring 2022	Spring 2025	Spring 2026
Total capacity	66,335	73,060	78,993
Higher quality licensed capacity	41,945	51,177	57,659
% of providers accepting subsidy	51.60%	65.80%	71.50%

- Overall child care capacity increased by **19.1%** over a five-year period (from 66,335 to 79,993 slots between Spring 2022 and Spring 2026). Almost half (5,933) of these new 12,658 slots were added between Spring 2025 and Spring 2026.
- In higher quality licensed settings (2-STAR+ to 5-STAR), capacity increased by **37.5%** (57,659 higher quality licensed slots as of Spring 2026, representing 78 percent of total licensed supply).
- In Spring 2022, an average of 1,081 providers served at least 1 child receiving subsidy per month, representing about 52% of all providers. By Spring 2025, this figure grew roughly **20%** to an average of 1,458 providers, or about 72% of all providers.

ECECD Administrative Data – Families & Children

- Since 2022, almost 18,000 additional families have signed up for the program and in the last year alone, almost 10,000 new families enrolled in the program (a **48%** jump compared to 2025).
- From Spring 2022 to Spring 2026, more than 25,000 additional children enrolled in the child care subsidy program. In the last year alone, close to 14,000 additional children began receiving benefits, representing a **43%** increase.
- Re: household structure, of the 13,000 additional children served over the past year, just over 67% (roughly 9,100) came from two-parent households, defined as a married couple or two unmarried parents.
- Our most recent data from Spring 2026 suggest that children from households at or below 200% FPL still comprise a majority of children served (about 55%). However, new enrollees in higher-income brackets are quickly becoming a substantial share of recipients. Of the 13,600 children newly enrolled in the last year, 58% (almost 8,000) came from households at or above 400% FPL.

Families and children	Spring 2022	Spring 2025	Spring 2026
Families served	12,382	20,430	30,264
Children served	20,009	31,609	45,211
Children from 2 parent HHs	2,839	7,726	16,865
Children from HHs @ <200% FPL	18,053	21,717	24,821
Children from HHs @ >200% FPL	1,957	9,893	20,389

Primary Data - Interviews

n=66 (39 during preliminary analysis)

- Center and home-based owners/directors
- May - Oct. 2026
- 2 timepoints (2026; 2028)
- Recruitment methods (admin data, sector partners listservs, in-person tabling, conference lists)
- Purposive sampling (targeted registered homes and 2-STAR centers)

Table 1. Participant Demographics (n=39)

Language	
Spanish	12 (31%)
English	27 (69%)
Rurality	
Urban	27 (69%)
Rural	12 (31%)
Setting	
Center	24 (62%)
Licensed Home	10 (26%)
Registered Home	5 (13%)
Quality Rating	
Nationally Accredited	11 (28%)
5-STAR	15 (38%)
4-STAR	5 (13%)
3-STAR	2 (5%)
2-STAR	1 (3%)
N/A	5 (13%)

Primary Data - Interviews

Funding:
- Providers benefitted from increased reimbursement rates, and many raised teacher wages or made quality improvements
- Universal subsidy eligibility supported more consistent funding

Care Capacity:
- Many wanted to expand, opening new classrooms or becoming licensed

Administrative Burden:
- Concern that requirements related to paperwork, teacher trainings, and assessment systems reduce quality
  - Takes time away from families
  - Reduce flexibility to maintain approaches that reflect program philosophy

Primary data - Teacher Survey

n= 263 (142 during preliminary analysis) center-based teachers

- April – Oct. 2026
- 3 timepoints (2026; 2027; 2028)

- Recruitment methods: admin data, sector partners listservs, conference lists, and in-person tabling
- Purposive sampling

- Most had over 10 years of experience, and were lead teachers from centers with the highest TQRIS level
- Half had a Bachelor's degree or higher
- Mean wage $28/hr
- 44% received additional pay through Pay Parity

Primary Data - Teacher Survey

Benefits:

- 70-80% receive paid time off (sick leave, personal leave, holidays)
- 33% had healthcare coverage through their job; 40% were covered through another source; 19% reported no health coverage

Financial security:

- 44% reported using one or more government support program
- 56% said their low salary was a source of stress in their lives
- 20% reported sometimes or often not having enough food to eat
- 36% reported making a partial or late rent/mortgage payments, or missing a payment

Job satisfaction:

- Over half agreed that their salary would likely increase with experience and education
- 88% were overall somewhat or very satisfied with the job
- 37% looked for another job in the last 3 months

Resulting Story: Overall Growth

- Teacher wages increased
  - Owners/directors interviewed primarily used increased subsidy reimbursement to raise wages
  - However, many teachers surveyed still report financial challenges
- Increase in workforce size
  - Inconsistent findings about the degree of growth between different datasets
- The number of slots available to families increased, mostly in high-quality settings
  - Owners/directors interviewed discussed goals around expansion, including becoming licensed to serve more children and opening additional classrooms
  - Many planned to or had recently increased their quality rating

Thank you!

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