The ECE Sector and the ECEC Membership in Context

Key findings from an independent analysis by Tyton Partners

Large, multi-site early care and education providers are frequently described from the outside and rarely measured from the inside. They serve a substantial number of children, families and educators, yet comparable information about their operations is limited.

The Early Care and Education Consortium, a national trade association representing large, multi-site providers, commissioned Tyton Partners to measure its membership against public benchmarks. The analysis addresses what members invest in program quality, how workforce compensation compares to published benchmarks, what operational infrastructure they maintain, and how they participate in public funding streams.

Tyton Partners designed the survey instrument, conducted the analysis, and produced every figure below. Each member figure sits next to the most directly comparable public benchmark.

21	7,004	~1.07M	~731,000
COMPANIES	CENTERS	LICENSED CAPACITY	CHILDREN ENROLLED

WHAT THE DATA SHOW

1 Members invest in their workforce above the private-sector norm.

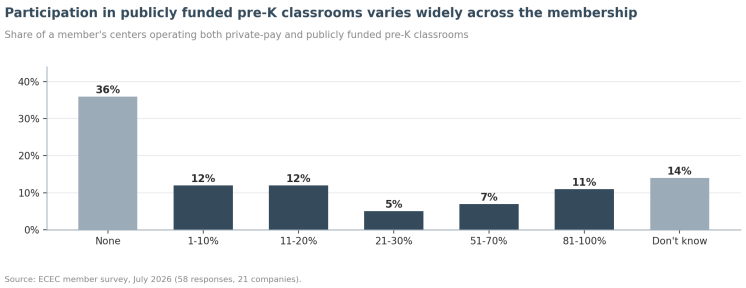
Lead-teacher wages average $19.80 an hour against a child care industry median of $17.72; assistant wages $17.41 against $16.43. Medical insurance is offered by 93.4 percent of members and retirement plans by 96.2 percent, against private-industry access near 72 percent for each. Every responding member offers a child-care tuition discount, against a private-industry rate near 13 percent. By the closest child-care-specific reference, only 23 percent of center-based teachers outside public school settings receive employer health insurance. At this scale the arithmetic is large: the lead-teacher premium represents $350 million to $475 million a year above the industry benchmark, and each further dollar an hour would add $170 million to $230 million.

2 Members participate in external quality systems at rates the wider field does not approach.

Measured center by center, 26.5 percent of member centers hold NAEYC accreditation against roughly 5 percent nationally, and 35.7 percent hold at least one recognized accreditation. Two-thirds of member companies exceed state licensing minimums across most or all centers; safety and security is where they most often exceed, at 92 percent.

3 The membership is not a single private-pay block.

Members serve children through childcare subsidy, Head Start and state pre-K in varying combinations, ranging from none of a provider's centers to nearly all. Any characterization of these providers as serving uniformly high-income, full-tuition populations is inconsistent with this finding.



4 Operating economics are tight and are set largely outside the provider's control.

Labor accounts for an estimated 60 to 80 percent of operating cost across provider types, and families are increasingly unable to absorb the tuition increases rising costs would require. The only audited public window into operator economics is the filings of the two publicly traded operators, which do not describe a high-margin business: fiscal 2025 net margins of negative 4 percent and positive 7 percent.

5 Workforce stability remains the field's unresolved problem.

Member retention implies annual turnover in the mid-thirties. Members offer above-market wages, broader benefits and more professional development, and the survey does not show a corresponding retention advantage. No comparable national rate can be constructed.

MEMBERS MEASURED AGAINST NATIONAL BENCHMARKS

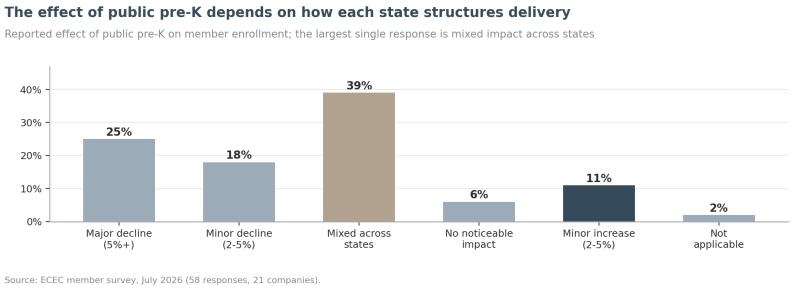
Measure	Members	National benchmark
Lead teacher wage	**$19.80/hr**	$17.72/hr (BLS, child care industry)
Assistant teacher wage	**$17.41/hr**	$16.43/hr (BLS, child care industry)
Medical insurance offered	**93.4%**	72% (private industry)
Retirement plan offered	**96.2%**	72% (private industry)
Child-care tuition discount	**100%**	13% (private industry)
Paid time off	**100%**	~80% (private industry)
NAEYC accreditation, share of centers	**26.5%**	~5% of programs
Any recognized accreditation	**35.7%**	no national count exists
State quality rating system participation	**64.3%**	~57-60%
Tracks and shares child-progress results	**93.1%**	no national count exists

SCALE, IN CONTEXT

The 50 largest private operators account for licensed capacity of roughly 1.2 million children, about 5.4 percent of the roughly 22 million children under six in the United States. Public programs serve state pre-K about 1.75 million, Head Start about 806,000, and childcare subsidy about 1 million under six in an average month. These figures overlap, because children funded through public programs are frequently served in privately operated centers.

WHAT THE POLICY EVIDENCE POINTS TO

Members divided on the effect of public pre-K on their own enrollment, and the largest single response was mixed impact across states. That result is the most informative one in the item: the effect is driven not by public pre-K as such but by how each state structures delivery. Where public pre-K is designed as genuine mixed delivery, existing providers can deliver publicly funded classrooms while retaining the extended-day care, facilities and family relationships working families use outside a school-day schedule. Where program design excludes those providers or pays below the cost of delivery, the same public investment can reduce the viability of infant, toddler and wraparound care.



CAUTIONS

Several cautions apply. The survey measured what members invest in quality systems, not what those investments produce for children; it collected quality indicators rather than child-level outcomes. The subsidy item does not support a member total: a large share of respondents did not know, and the lowest response band is too wide to sum. And no comparable national turnover rate can be constructed, so retention is reported without a benchmark.

About the analysis

Findings draw on a survey of ECEC member companies fielded in mid-2026, returning 58 complete responses across 21 companies, together with center-level accreditation data and public benchmarks from federal statistical sources. Member figures are weighted by scale and are estimates rather than a census. Benchmarks are drawn from the Bureau of Labor Statistics Occupational Employment and Wage Statistics (May 2025) and National Compensation Survey (March 2025), NAEYC, the Quality Compendium, the National Survey of Early Care and Education, NIEER and the Administration for Children and Families. Full report available from the Early Care and Education Consortium.