Building ECE Career Pathways-The Challenge of Compensation

A Critical Link in Building Career Pathways for the Early Childhood Profession
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Every child in an early childhood setting has a teacher who is well educated and well compensated. Every early childhood teacher has access to affordable college education, workforce supports and continuing professional development on a pathway to valued, sustained employment.
“...Highlight the importance of building a progression of professional development and education opportunities for the early childhood workforce, making it understandable to all stakeholders as a key strategy to expanding high quality early childhood education for all children from birth;”
Transforming the Workforce for Children Birth Through Age 8

A Call to Action

“Implementing the committee’s recommendations will produce substantive changes that elevate the perception of the professionals who work with children from birth through age 8 and improve the quality of professional practice, the quality of the practice environment, and the status and well-being of the workforce—and ultimately, outcomes for children.”
Presentation Goals

• Review the current compensation landscape
• Identify current barriers to higher compensation for the early childhood workforce
• Demonstrate how education and career pathways can increase compensation
• Respond to questions from the audience
• Discuss next steps
Compensation Conundrum

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ECE Compensation in the Headlines

- Early Childhood Educators Woefully Underpaid – *U.S. News and World Report*
- Small Children, Small Pay: Why Child Care Pays So Little – *The American Prospect*
- It Doesn’t Pay To Be An Early Childhood Teacher – *National Public Radio*
- Child Care Teachers: Underpaid and Underappreciated – *New America*
Compensation—Why Does It Matter?

- Economic justice
- Turnover’s effect on young children
- Need for an educated workforce
- Classroom and program quality
- Teacher’s health and well-being
- Professionalization of the workforce
National Study of Early Care and Education (NSECE)

- Conducted by the Office of Planning, Research and Evaluation in ACF
- Completed in 2012
- Represented about 1 million teachers working in 130,000 centers
- Learned teachers are worth the investment
  - 13 years of experience (median)
  - 53% with college degree
  - Wages tied to auspice, age and education
Figure 8 shows the median hourly wages of center-based teachers and caregivers by education and type of sponsorship and funding of center-based program of employment for the following: school-sponsored, Head Start-funded, public pre-K funded, and all other ECE. We have omitted the “some college, no degree” category from the figure for simplicity, since those wages were close to those for teachers and caregivers with high-school diplomas or less; the data omitted from this figure are available in Appendix Tables 14-28.

It is clear that school-sponsored center-based programs paid the highest wages at each level of staff education. School-sponsored and public pre-K funded center-based programs also paid the greatest premium for four-year degrees—about $7 to $8 an hour more than for an AA degree, compared to about $3 an hour more for four-year degrees at Head Start–funded or other center-based programs. As a point of reference, Census data indicate that the average 4-hourly wage across all occupations for workers with a BA degree is about $27 an hour.

Figure 8. Median Hourly Wages of Center-Based Teachers and Caregivers by Education and Type of Sponsorship and Funding of Center-Based Program of Employment

<table>
<thead>
<tr>
<th>Type of Sponsorship and Funding</th>
<th>HS or Less</th>
<th>AA</th>
<th>Bachelor or Higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>School-sponsored</td>
<td>11.80</td>
<td>13.00</td>
<td>20.60</td>
</tr>
<tr>
<td>Head Start Funded</td>
<td>8.00</td>
<td>12.20</td>
<td>15.90</td>
</tr>
<tr>
<td>Public Pre-K Funded</td>
<td>8.40</td>
<td>9.80</td>
<td>16.20</td>
</tr>
<tr>
<td>All Other ECE</td>
<td>9.60</td>
<td>11.00</td>
<td>13.90</td>
</tr>
</tbody>
</table>

Note: ‘Head-Start funded’ category excludes school-sponsored programs; ‘Public pre-K funded’ category excludes school-sponsored and Head Start-funded programs.

It can be seen that center-based programs reporting Head Start funding put a relative premium on two-year/AA degrees, paying almost as much for teachers and caregivers with AA degrees as school-sponsored center-based programs did. This is consistent with the recent Head Start policy requiring and supporting the attainment of college degrees. In contrast, other types of center-based programs did not pay much more for an AA degree than for teachers and caregivers with no college degree—only about $1.40 an hour more for an AA degree than for high school or less.

Figure 6 shows the median hourly wages of center-based teachers and caregivers by age of children served for the following age groups: age 0 to 3 years only, age 3 through 5 years only, and both age groups. The median hourly wage for all center-based teachers and caregivers directly responsible for children age zero through five years, not yet in kindergarten, was $10.60. If they were employed full-time, for the standard 2,080 hours a year, that would translate to about $22,000 a year. Wages earned by teachers and caregivers serving children age three through five years were 28 percent higher than those for teachers and caregivers serving younger children. As will be explored below, this difference was related partly to differences in education level and partly to differences in the type of center sponsorship or funding. However, even when those differences were taken into account, teachers and caregivers serving the older children received higher pay.

Figure 7 shows the median hourly wages of center-based teachers and caregivers by educational attainment for the following levels of education: HS or less, Some college/no degree, AA degree, and Bachelor's degree or higher, and for all teachers and caregivers combined. We found that wages were lowest for those with no more than a high-school diploma or some college. They were substantially higher—about $2 an hour, or $4,000 more a year—for teachers and caregivers with two-year associate's degrees, and much higher for those with at least a four-year degree.
Child Care Workers Aren’t Paid Enough to Make Ends Meet

• Released by the Economic Policy Institute in November 2015
• Examined workforce data from the Current Population Survey found that
  1. Wages for child care workers are very low ($10.31/hr.), 23% below $17/hr. for similar other workers.
  2. Child care workers are mostly women, more diverse and more likely to have at least some college.
  3. Only 15% receive health insurance from their job and only 9.6% are covered by a pension plan, far less than similar other workers.
  4. Over 1/3 of child care workers live in families with income of less than 200% of poverty.
Child Care Workers vs All Other Workers

Race/Ethnicity

$0.00 $5.00 $10.00 $15.00 $20.00 $25.00 $30.00 $35.00

White  Black  Hispanic  Asian  Other

Child care workers
All other workers
Child Care Workers vs All Other Workers - Education
Compensation Challenges

• Parents are the primary buyers
• Little or no public funding or policy is targeted to compensation
• Public do not see ECE as a public good
• Inadequate ECE funding forces quantity vs quality when buying ECE
• Failure of Workforce Investment Boards to embrace ECE as viable career
Compensation Opportunities

- Research evidence is widely available
- Public will is shifting to include compensation
- Strategies like Pre-K with parity requirements demonstrate possibilities
- Increasing public buy-in within some states for larger pre-k investments
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Sarah Kelsey

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Compensation Pathways

- Robbin’s Earnings – 67% gain over 10 years
- Sarah’s Earnings – 88% over 10 years
Career Pathways

- Provide comprehensive education and training
- Produce recognized credentials
- Include coaching/counseling
- Align with the needs of employers, consumers and regulators
- Lead to a ladder of jobs differentiated by knowledge, skills and compensation
- Build a skilled workforce
Career Pathways in Nursing: A Model

CNA → LPN → RN/AS → RN/BA → Nurse Practitioner
ECE Teacher Pathways by Role

- Qualifications defined by employer and/or regulatory agency
- Job knowledge, skills and responsibility vary by role
- Compensation increases by role (and auspice)
• Qualifications for teachers defined by system standards
• Compensation typically increases by setting
ECE Pathways by Role Change

- Job knowledge, skills and responsibility vary by role
- Compensation increases by role (and auspice)
- Jobs in and outside direct ECE settings
ECE Educational Pathways

CDA Credential
AAS in ECE
BS in ECE
BS in ECE with Teacher Licensure
NBC in Early Childhood

The Key to ECE Role and Career Pathways
References

• Child Care Workers Aren’t Paid Enough to Make Ends Meet, Economic Policy Institute

• National Survey of Early Care and Education

• Worthy Work, STILL Unlivable Wages
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