Quality Jobs, Quality Child Care

The case for a well-paid, diverse early education workforce

JUNE 13, 2016 — JULIE KASHEN, HALLEY POTTER AND ANDREW STETTNER
All children deserve the opportunity to succeed, which includes ensuring they are cared for and educated in safe, nurturing environments. Today, most parents work, and so they need access to affordable, high-quality early care and education (ECE) options for their children—centers, pre-schools and home-based child care—but the United States has not invested sufficiently to make this public good available. Instead, the U.S. approach is a poorly coordinated and resourced patchwork of ECE programs and policies that leave the majority of families struggling to afford care, and the ECE workforce economically insecure.

Establishing and maintaining high-quality ECE programs requires significant foundational investments. This report focuses on achieving quality ECE by ensuring that its workforce is well-compensated, appropriately educated, diverse, and culturally competent. It looks particularly at strategies for maintaining diversity while transforming the industry so that it provides quality jobs and quality care, with a focus in this report on center-based and school-based care. This report recommends a multi-pronged strategy for strengthening early care and education, including increased public funding, new definitions of quality in ECE that include workforce compensation and diversity, expanded workforce development programs and career pathways, and policies to promote salary parity.

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**Figure 1. Wages for College-Educated ECE Teachers**

<table>
<thead>
<tr>
<th>Category</th>
<th>Average Hourly Wage for White People with a BA+</th>
<th>Average Hourly Wage for People of Color with a BA+</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>17.19</td>
<td>14.61</td>
</tr>
<tr>
<td>Government Funded</td>
<td>17.72</td>
<td>16.24</td>
</tr>
<tr>
<td>Other ECE</td>
<td>15.6</td>
<td>14.61</td>
</tr>
</tbody>
</table>

*Government Funded* includes Head Start, publicly funded pre-K, and school-sponsored programs.

The Current Challenge in Early Care and Education

The most recent data (2014) shows that in 60 percent of families of married parents with children, both parents work. For all of these families, child care is an absolute necessity. Indeed, half of all children under 6 receive care outside of the home. Most of these children are served by the approximately 2.2 million individuals estimated to be in the paid ECE workforce, which is spread across a variety of public, private for-profit, home-based, religious, and nonprofit settings. Of this workforce, 51 percent work in child care centers or schools, 12 percent work in home-based “family” day care settings, 27 percent are paid relatives, and 11 percent are paid non-relatives. (Because family-based child care providers—which provide convenient, affordable, and nurturing care—are typically self-employed, the policy environment around quality and compensation issues for this segment is quite different, and not the primary focus of this paper.)

Serving the needs of these families is an ECE workforce that has a remarkable amount of diversity. While the ECE workforce is overwhelmingly comprised of women (more than 95 percent), ECE workers are disproportionately women of color, compared to other parts of the workforce and the broader education industry. Forty percent of ECE workers are people of color—14 percent African American, 20 percent Hispanic, 4 percent Asian, and 2 percent other. (In contrast, African-American women represent just 6 percent of the total adult workforce, and Hispanic women 7 percent.)

Unfortunately, wages are substandard throughout the ECE workforce, at all levels of education and experience. While this is true of virtually all industries dominated by women and people of color, it is particularly so in this industry. The government classifies ECE workers into two main occupations, child care workers and preschool teachers. Average wages for child care workers were just $10.72 per hour in 2015. This puts the wages of these frontline workers in the lives of America’s children below 97 percent of those of all occupations in the economy, comparable to the wages of fast food cooks (who receive an average of $9.43 per hour) and cashiers (who receive an average of $10.10 per hour). Preschool teachers’ median wages are only moderately better than child care workers, at $13.74 per hour. Moreover, preschool teachers earn far less than those responsible for the education of slightly older kindergarteners, even when those teachers have similar educational credentials. (Kindergarten teachers have median annual earnings of $51,640, compared to just $28,750 for preschool teachers, and preschool teachers with a bachelor’s degree or higher still make only about 50–80 percent of the median kindergarten teacher salary, depending on setting.)

The low pay scale prevalent in the ECE workforce raises troubling questions. In the continuum of workers that cares for America’s children, why is the first experience they have apparently so undervalued? At a time when children are most dependent and vulnerable, why are their caretakers and educators compensated so poorly, almost guaranteeing a workforce marked by high turnover and instability?
Wages in the ECE workforce have remained so low in large part because the factors that increase wages in other parts of the workforce are not present to move ECE wages. For starters, the ECE workforce tends not to be unionized. While efforts in a few states have brought child care workers together to unionize and bargain, many have not succeeded, and even those that have tend to provide only marginal improvements in salaries and/or working conditions. Furthermore, there is next to no government support for ECE work, meaning families are mostly on their own in paying its costs. In many states, child care costs parents more than in-state college tuition or rent, and yet nearly half of all ECE employees live in families eligible for TANF, SNAP, Medicaid, or EITC. With limited public dollars involved (the major child care support for low-incomes families only serves about one in every six federally eligible families due to underfunding), parents are already being stretched thin. (It is not hard to imagine the parallel problems that would emerge if those parents had to pay out-of-pocket for their children’s K–12 education.) As such, more education and credentialing in the ECE workforce does not necessarily lead to higher pay.

ECE employees and their families are long overdue for an increase in the wages and benefits of this critical work. This report puts forth two arguments in favor of this investment. First, that raising the quality of jobs in the ECE workforce will have a major impact on producing the high-quality care that children need to have a real chance to thrive in school and in life. Second, that efforts to raise the quality of jobs can and must be done in ways that maintain a diverse workforce reflective of the children served and that preserve the ECE field’s relative strength as a locus of employment opportunity for people of color, especially women.

Investing in the ECE Workforce Yields Higher Quality Care

Raising the standards for jobs in the ECE field is not just a concern for ECE employees and their families. High-quality early care and education is important for all children and has the potential to level the playing field for low-income children and children of color. But we cannot achieve the goal of quality care without addressing the issue of job quality.

Unfortunately, when policymakers talk about “quality early care and education,” they too often fail to factor in the need for investments in compensation and working conditions. For example, most state quality ratings systems do not include compensation as a factor in rating early care and education quality. What policymakers miss is that quality care cannot be delivered without the inclusion of, and investment in, quality early care and education jobs. How well ECE teachers
and caregivers are paid, how they are treated and valued, what kind of training and preparation they receive, and what kind of voice they have at work, matter greatly.

One major focus of efforts to improve the quality of early care and education programs has been the education of the workforce, including the goal that ECE educators possess some kind of post-secondary credential. But focusing on education alone will not guarantee quality care. Without a baseline of a living wage and appropriate compensation for the additional years of education, such requirements may actually act as a deterrent to entering and staying in the field.

In addition, just as economic instability can cause stress, depression, and distraction, economic stability is an important factor in enabling employees to show up to work energized, engaged, and present. These traits are understood to be drivers of greater productivity in the workforce generally, and early care and education is no exception.

**Research Connects Investments in the Early Care and Education Workforce to Higher-Quality Care**

Multiple studies over the past several decades have pointed out the importance of pay and working conditions in boosting the quality of services for young children—largely connected to the ability to attract and retain a talented workforce. In 1989, the National Child Care Staffing Study by the Center for the Study of Child Care Employment was the first study to identify wages as a predictor of quality.\(^{18}\) Subsequently, a 2001 study of child care centers in Massachusetts found that higher wages were closely related to better-quality care.\(^{19}\) Another 2001 study that looked at over one hundred child care centers in Boston, Central Virginia, and Atlanta found that teacher wages had the strongest connection to classroom quality—more so than staffing ratios, teacher training, and group size.\(^{20}\) An earlier study designed to examine the relationships between the cost of child care and the nature and effects of children's child care experiences found that teaching staff wages and teacher–student ratios were the most significant factors in predicting classroom quality in programs in California, Colorado, Connecticut, and North Carolina. This finding held up when controlling for education, special training, and experience of the teachers.\(^{21}\) Yet another study of California child care centers found that centers that offered higher wages were more successful in retaining qualified teachers. That longitudinal study, which followed changes over time, found that higher wages were also linked to higher-quality services, because centers were better able to attract and retain staff.\(^{22}\)

And while three major studies that are often cited as demonstrating the long-term success of high-quality ECE—the High/Scope Perry Preschool Project, Carolina Abecedarian Project, and Chicago Child-Parent Program—were not designed to test the impact of higher wages or teacher education levels on quality care, all three find a correlation.
The High/Scope Perry Preschool study—a randomized, controlled trial experiment—identified both the short- and long-term benefits of a high-quality preschool education program for young children living in poverty. The study—which followed participants for an astounding forty years—found that children who received high-quality care and education when they were three and four years old did better on IQ and school achievements tests during school, had better attitudes toward school, and were significantly more likely to have graduated from high school, to be employed and earning more money, and to have a savings account than those in the control group, who did not receive the preschool services. Program participants were also less likely to be arrested or spend time in jail. The program has been shown to yield a nearly $13 return for every $1 invested in the program in benefits to the public. Small class size, a strong, well-rounded curriculum and educational model, and ongoing teacher training were all an important parts of the program’s success. Of particular note, the program was able to attract a talented, well-trained workforce and retain them, as they paid ECE teachers, who had bachelor’s degrees and certification in teaching, public school salaries and added a 10 percent bonus.

The Abecedarian Project, another randomized controlled trial studying the extent to which intensive early childhood education might reduce or prevent delays in cognitive development in children born into low-income households, found that children who participated in the full-day child care program year-round from infancy to kindergarten entry were more likely to graduate from college and to be employed, and less likely to receive welfare benefits. The studies’ authors noted that:

> One factor in the success of the Abecedarian program may have been a bi-product of the fact that staff salaries and benefits were at a level that fostered low turnover. This had the effect of increasing the stability of the emotional climate of the children.

Similarly, evaluations of the Chicago Child-Parent Program—a quality pre-K program with a strong parent engagement component that was started in the 1980s and shown to yield long-term positive impacts, found that “Highly qualified and well-compensated teachers with bachelor’s degrees and certifications in early childhood education” and “ongoing staff development” were major drivers of this success. Studies like these link higher wages not just to better quality, but also to long-term impacts.

A more recent review of what elements lead to cost-effective high-quality pre-K looked at Boston pre-K, New Jersey’s Abbott pre-K, North Carolina’s pre-K (formerly More at Four), and Maryland’s Extended Elementary Education Program (EEEP) and “Judy Centers.” These effective programs, which focus on low-income children and have been
shown to yield sustained academic outcomes at cost-effective (or near cost-effective) levels, all require that the lead teacher have a bachelor's degree and an early learning credential and are paid at same level as K–3 teachers. The study also notes that higher compensation helps with teacher retention.

Consistency Matters for Children

Consistent relationships with stable, responsible adults are important for children's healthy development. According to psychology professor Deborah Phillips, many aspects of childhood development—including “the child’s vocabulary and how well they talk, a love of and skill in early reading, the acquisition of early math concepts, the ability to make and keep friends and to accurately identify what others are feeling (that is, social perception), the ability to pay attention and focus on important information,” among other skills—are deeply connected to children’s early environments and experiences. Harvard University’s Center on the Developing Child reports that relationships with “caring, responsive adults [contribute to building] strong brain architecture for children.” Similarly, economist Nancy Folbre concludes, “children who form close relationships with teachers tend to show better language skills and more sociability and to demonstrate fewer behavior problems than those who do not, and close relationships require a certain minimum threshold continuity of care.” Harvard's Center on the Developing Child also reports that high staff turnover can lead to children feeling insecure and unstable about whether their needs will be met.

Yet, low wages cause turnover rates that are exceptionally high in the ECE workforce—with half of all centers reporting experiencing some turnover within the prior year. One in-depth study found that half of teachers and center directors had left their jobs within four years. Without careful planning, efforts to increase the education levels of ECE teachers and caregivers could cause those with college degrees to seek other employment within elementary education or other fields. Indeed, half of those who leave a child care job do not come back to the field. In the immediate term, turnover leaves child care facilities with suboptimal staff-to-child ratios as they recruit new staff. Moreover, it thwarts efforts to take a long-term approach to the development of quality care, which requires developing sophisticated educational practices and specific awareness of the needs of children served by a particular center. High rates of churn force ECE administrators to spend their time recruiting new employees, rather than focusing on improving the quality of care. Finally, turnover can also leave children without a consistent adult relationship, which can be detrimental to their learning and nurturing.
Low compensation is specifically frequently cited as a major reason for the high rates of turnover cited above. Raising wages would thus help. Recent studies of minimum wage increases have shown that higher wages lower turnover in general. Higher wages would make it easier for ECE employers to recruit and retain a high-quality workforce. In turn, having providers who stay in those jobs because they are compensated fairly and treated well would provide more consistent, and higher quality care to children.

Compounding problems associated with low wages, employers provide little in the way of benefits that would keep ECE teachers and caregivers attached to their jobs. Only about one in five ECE teachers and caregivers receive employer provided health insurance paid partly by the employer, and they are only half as likely as employees in general to be offered health insurance coverage. Employers in the ECE field are even less likely to offer retirement plans, with only 24 percent participating in retirement plans.
Economic Stability Is a Baseline for ECE Productivity

Many people who are economically insecure are very productive at work. But they have to overcome substantial barriers, and greater economic stability helps establish the conditions for better and more consistent productivity. Eliminating the challenges of worrying about how to pay for rent, whether a financial emergency will arise, or when an illness will force a tough choice between health and a paycheck, allows employees to be more focused on the task at hand.

Unfortunately, early childhood educators’ low pay causes stress, worry, and economic insecurity. Members of the ECE workforce frequently cannot afford child care for their own children. As per recent data, there is no state in which ECE employees’ average earnings are high enough, when compared with the average cost of child care, to meet the U.S. Department of Health and Human Services’ standard of affordable child care (spending 10 percent or less of a family’s income on child care).\(^40\) And a study on economic insecurity among early childhood teachers by the Center for the Study of Child Care Employment at the University of California, Berkeley, found that:

\begin{quote}
At least 50 percent of the teaching staff indicated that they worried about their family’s economic well-being on five out of six economic security items. Nearly three-quarters of teaching staff expressed worry about having enough money to pay monthly bills. Seven in 10 teaching staff worried about paying for routine health care costs for themselves or their family members. More than one-half of teaching staff expressed worry about paying their housing costs and transportation costs to get to work.\(^41\)
\end{quote}

The same study found that teachers who were paid higher wages expressed lower levels of economic worry. The programs where they worked were also rated higher in quality.\(^42\) Just as boosting parents’ economic security makes it more likely that they can find time for relaxed conversations at bath-time with their children, enhancing ECE providers’ economic well-being can help them be better caretakers and teachers. Both common sense and research thus suggest that higher wages for the early care and education workforce would lead to more economic stability, lower stress, and better quality care for children.

As the Center for American Progress explained in a 2015 report, “Research shows that the most important indicator of quality in early learning environments is the interaction between children and their caregivers. When caregivers provide a warm, nurturing, and language-rich environment that structures learning and exploration in a developmentally appropriate way, children thrive.”\(^43\) Ensuring stability and security for ECE teachers and caregivers—including higher wages and better working conditions—enriches their ability to provide this kind of nurturing environment.
Creating a More Diverse ECE Workforce Benefits Children

The relative racial, ethnic, and linguistic diversity of ECE teachers and caregivers is currently one of the sector’s strengths. Because our nation is growing more diverse, children age 5 and under represent the most diverse segment of the American population: 56 percent are white, 25 percent are Latino, 13 percent are black, 5 percent Asian/Pacific Islander, and 1 percent are American Indian. Nearly one-third of all of these children live in families that speak a language other than English at home. Although more progress will be needed to achieve an ECE workforce as diverse as America’s children, the demographic gap between the ECE workforce and the children they serve (40 percent teachers of color versus 44 percent children of color) is much smaller than in K–12 settings (where 18 percent of teachers are people of color versus 50 percent of students). (See Table 1.) The ECE workforce is also close to a linguistic match: 23 percent of the workforce speaks a language other than English, compared to 21 percent of the U.S. population 5 years and under.

<table>
<thead>
<tr>
<th></th>
<th>ECE Workforce</th>
<th>Children 5 and Under</th>
</tr>
</thead>
<tbody>
<tr>
<td>White Non-Hispanic</td>
<td>60%</td>
<td>56%</td>
</tr>
<tr>
<td>People of Color</td>
<td>40%</td>
<td>44%</td>
</tr>
<tr>
<td>African American</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>20%</td>
<td>25%</td>
</tr>
<tr>
<td>Asian</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Other</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

ensuring diversity at every level and setting in the workforce, is a central challenge for the field moving forward.

**Why Teacher and Caregiver Diversity Matters**

The benefits of a diverse ECE workforce stem from creating opportunities for two dynamics: teacher-child *sameness* and teacher-child *difference*.

On one hand, children from minority groups benefit from having teachers and caregivers who share their same racial, ethnic, or linguistic background. Research on ECE increasingly points to the importance of the quality of teacher-child interactions that are emotionally supportive and cognitively engaging. While these positive teacher-child interactions can exist with teachers and students of all backgrounds, having a cultural match between teachers and children can help promote a strong teacher-child relationship. Even at very young ages, having a teacher or caregiver who shares the child's ethnicity can promote better attachment between caregivers and children. Research suggests that children with same-race ECE teachers also experience stronger teacher-child relationships with less conflict and greater attention to children's individual needs. Having educators who share a child's linguistic background can also encourage family engagement, especially for children who are English Language Learners. Bilingual teachers can help children with English language acquisition while encouraging maintenance of the home language and communicating effectively with the child's family. And research from K–12 settings further shows that teachers of color are more likely to hold high expectations for students of color. Research on gifted education, for example, finds that black students are less likely to be identified for gifted education than white peers with identical grades and test scores, unless the black students are taught by black teachers.
At the same time, all children benefit from being exposed to educators of different backgrounds as they move through early childhood education and into K–12 schooling. By the time they enter preschool, children are already developing an awareness of social categories of race and class and making social comparisons. It is thus important as these early perceptions form, in order to foster positive self-image and reduce racial bias, to give children the chance to interact with peers and adults from different backgrounds, alongside nurturing relationships within their own cultural and linguistic communities. While the cultural competency of ECE teachers and caregivers, regardless of their own race or ethnicity, is important in helping to create affirming learning environments and promoting effective communication, there is also some evidence that having a more diverse early childhood workforce may foster more culturally competent classrooms, where teachers guide children in active explorations and celebrations of diversity.

Thus, for children to reap the greatest benefits, they should ideally have opportunities to interact with some educators who share their background and others who do not. In center-based ECE, for example, children typically interact with more than one teacher and could benefit from having some same-race or same-language teachers and other cross-race or cross-language teachers. In home-based settings, while children may only interact with one educator at a time, families...
should have options of caregivers from a variety of different cultural and linguistic backgrounds so that may find a match that is best for their child at that time. To make these scenarios a reality for more children, we need an ECE workforce as diverse as the children they serve.

The Challenge of Creating a Diverse ECE Workforce at Every Level

It makes sense to tie higher wages to credentials, and increasing qualifications for ECE careers represents essential steps toward both improving the quality of care and education that children receive and professionalizing the field. However, data suggest that increasing requirements for college degrees and certification can reduce racial, ethnic, and linguistic diversity, which already vary within the workforce. As it stands, diversity across the ECE workforce varies by setting and job role, in large part because ECE educators of color are less likely than their white peers to have a postsecondary degree or credential.\textsuperscript{59} One 2008 study of the ECE workforce in California, for example, found that teachers and caregivers with a bachelor’s degree, those in center-based rather than home-based settings, and those who are in leadership rather than assistant positions are more likely to be white.\textsuperscript{60} National data also show that family-based child-care workers are also more likely than preschool teachers or program directors to speak a language other than English.\textsuperscript{61}

![Figure 2: Racial Disparities in Education Among ECE Workers](image)

Source: Author’s calculation from the National Survey of Early Care and Education (NSECE) 2012, [http://www.researchconnections.org/childcare/studies/55519/datasets](http://www.researchconnections.org/childcare/studies/55519/datasets)
Efforts to strengthen ECE careers by increasing workforce qualifications thus run the risk of increasing this stratification and decreasing teacher and caregiver diversity. Indeed, some policies enacted in recent years with the goal of increasing ECE teachers’ and caregivers’ qualification have had exactly this effect. For example, one study of Head Start teachers found that increases in the percentage of teachers with bachelor's degrees, in response to the requirement in the 2007 reauthorization of Head Start that at least half of all lead teachers must have degrees by 2013, were associated with increased percentages of white teachers and larger gaps between the racial and ethnic composition of the student body versus that of staff.62

There is cause for concern. Based on data analyzed for this paper from the National Survey of Early Care and Education, other portions of the ECE field could become less diverse if educational requirements were similarly increased. Table 2 looks at the educational attainment of the workforce in different child care settings, including Head Start, school-based settings, other publicly funded pre-K programs and other private and nonprofit ECE facilities. The overarching point is that the people of color in the ECE workforce are significantly less likely to have a bachelor's degree (28 percent) than whites (45 percent). (See Figure 2.) By 2012 when this survey was fielded, a similar percentage of whites and people of color in Head Start facilities had at least an associate's degree (64 percent of whites and 62 percent of people of color), and this is the only setting that has that kind of parity. In other parts of the sector, people of color were 14–22 percentage points less likely to have a bachelor's degree or higher than white workers—meaning people of color could be more vulnerable to losing their jobs or leaving the field if increasing numbers of teachers in these facilities are required to have a college degree.
Table 2. Educational Attainment of the ECE Workforce (excluding administrators)

<table>
<thead>
<tr>
<th></th>
<th>All</th>
<th>Head Start</th>
<th>Publicly funded pre-K programs</th>
<th>School-based programs</th>
<th>Other ECE centers</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With BA or Higher</td>
<td>45%</td>
<td>41%</td>
<td>42%</td>
<td>59%</td>
<td>41%</td>
</tr>
<tr>
<td>With AA</td>
<td>15%</td>
<td>23%</td>
<td>18%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>With HS or Less</td>
<td>40%</td>
<td>36%</td>
<td>40%</td>
<td>27%</td>
<td>45%</td>
</tr>
<tr>
<td>People of Color*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With BA or Higher</td>
<td>28%</td>
<td>33%</td>
<td>28%</td>
<td>37%</td>
<td>25%</td>
</tr>
<tr>
<td>With AA</td>
<td>21%</td>
<td>29%</td>
<td>19%</td>
<td>24%</td>
<td>18%</td>
</tr>
<tr>
<td>With HS or Less</td>
<td>52%</td>
<td>38%</td>
<td>53%</td>
<td>39%</td>
<td>57%</td>
</tr>
</tbody>
</table>

*People of color include black, Hispanic, and Asian people.


A central challenge in reforming and strengthening early childhood careers, therefore, is to provide a pathway to increased training and qualifications for early childhood teachers while ensuring a diverse workforce at every level. Increasing the percentage of teachers with bachelor's degrees in Head Start and other ECE settings is a worthwhile goal, but policies to increase ECE teacher qualifications must be coupled with explicit supports for diversity.

Policy Recommendations
Raising the quality of jobs through better compensation while maintaining the racial diversity of the workforce will require a multi-faceted strategy that leverages new public resources to supplement what parents pay, increases compensation at multiple levels of the ECE industry, and makes workforce diversity and working conditions central to efforts to improve the quality of the workforce.

**Make a Significant Public Investment**

First and foremost, the United States needs to make a significant public investment in early care and education. Investing in early care and education yields positive benefits for everyone: children can be cared for in nurturing educational environments that will help them begin school ready to learn and grow into productive citizens; parents can go to work with the peace of mind that their children are in good hands and be even more productive employees as a result; employers reap the rewards of more productive employees—both now and in the future. In fact, studies have shown a significant economic impact of investing in early care and education.

A 2014 assessment by the President’s Council of Economic Advisers found the benefits to society of investing in early learning programs is about $8.60 for every $1 invested. And a recent analysis by the Economic Policy Institute found that public investments in affordable, quality child care could increase Gross Domestic Product (GDP) by 1.2 percent, or approximately $210 billion.

The Make It Work Campaign has proposed a new child care policy to provide subsidies to low-income and middle class families with a guaranteed minimum wage of $15 per hour for the ECE workforce—and pay parity with K–12 educators for lead and assistant ECE teachers—as well as a public investment in pre-K for all three and four year olds regardless of income. Public funding is to make it affordable for parents and also support living wages for all child care workers. The $15 per hour minimum wage will be a floor that helps ensure that employees at every level of the ECE workforce make a decent living, and that the ECE field sets wages high enough to attract and retain the quality workforce we need. This type of investment could be paid for by a series of tax reforms that eliminate or address tax breaks and loopholes that benefit wealthy filers, reduce harmful financial sector practices, scale back or eliminate costly, inefficient business tax breaks, and increase taxes on carbon and tobacco.

The Economic Policy Institute, the Center for American Progress, and a number of advocacy groups have similarly called for large public investments that include significant funding to ensure better compensation for the workforce, and the public will exists for such an investment. According to a 2015 poll by the First Five Years Fund (FFYF), over three-quarters of American voters support “increasing federal investment to help states provide more access to high-quality early childhood programs for low- and moderate-income families.” This includes 59 percent of Republicans, 69 percent...
of Independents, and 94 percent of Democrats.\textsuperscript{65} In another poll/survey, the Center for Community Change found that 68 percent of voters favor having “government expand early childhood education, creating jobs, raising wages, and improve working conditions for child care providers and ensuring affordable child care.”\textsuperscript{66}

The United States currently spends significantly less than most peer nations on early care and education.\textsuperscript{67} France, New Zealand, the Nordic countries and the United Kingdom spend over 1 percent of GDP on early care and education, while the United States spends less than 0.5 percent of GDP.\textsuperscript{68} From an international competition perspective, the United States has a lot of catching up to do.

\textit{Include Compensation and Diversity in Definitions of Quality}

Compensation and working conditions should be incorporated into the way we define high-quality care. A few federal programs have begun to do this, but they lack the requirements or enough resources to make it a reality. The 2015 reauthorization of the Child Care and Development Block Grant—the largest child care subsidy program for low-income families—included “compensation, benefits and workforce conditions” in the “essential elements” of early childhood workforce systems for delivering high-quality programs. This is the right idea, but it is not a requirement or a priority and limited resources make it hard to put money behind it. Earlier, the 1990 Head Start Expansion and Quality Improvement Act set aside quality improvement funds specifically for staff compensation. Again, this is an important effort, but when the act added a requirement that teachers must have a degree, it did not require that compensation be increased accordingly.

The above cases at least acknowledge that compensation impacts quality. Too often, however, compensation is not included at all as a core factor in defining quality care.\textsuperscript{69} For example, the Quality Rating and Improvement Systems (QRIS) that states use to assess the quality of ECE programs often fail to include any focus on workforce compensation.\textsuperscript{70} QRIS guidelines should include compensation as a measure of quality. Similarly, the guidelines for improving state ECE policy crafted by the National Institute for Early Education Research and the program accreditation standards used by the National Association for the Education of Young Children do not currently include workforce compensation as a specific indicator of quality.\textsuperscript{71} Both organizations should make ECE teacher wages and working conditions explicit components of the recommendations or standards.

Staff diversity and cultural competency should likewise be included in definitions of quality. Currently, only 18 of the 40 QRIS operating in 38 states include any program indicators related to linguistic or cultural diversity. Of those, most of the relevant indicators focus on family engagement, culturally accessible curriculum and materials, and staff training. Only a handful have specific quality indicators related to employing culturally and linguistically diverse staff reflective of
the children being served. For example, New Mexico’s FOCUS on Young Children’s Learning program includes as an indicator of high quality for center-based child care programs, “The program makes every effort to hire staff reflective of cultures and languages of families enrolled in the program.” New York’s QUALITYstarsNY similarly measures whether “Program philosophy and staff recruitment strategies demonstrate commitment to diversity and having staff reflect its community.” It also includes a measure of whether programs in which at least 50 percent of students have a home language other than English employ at least one staff member who speaks the children’s home language.

Including compensation issues in QRIS is just one way subsidized child care programs can do more to promote quality. As a result of the most recent reauthorization, the amount of Child Care Development Block Grants funds mandated for quality improvement increases from 4 percent to 12 percent by 2020—and states should earmark increasing amounts of funds to evidence-based programs that raise quality of jobs and care, such as T.E.A.C.H. and WAGE$. (explained further in the next section). The new law also gives states the authority to allow for tiered reimbursement rates that would pay more for high-quality programs, and to set reimbursement rates on the true cost of care and not simply as a percentage of current market rates that falsely reimburse care.

Promote Workforce Development alongside Alternate Certification

Alternate certification programs typically take applicants who already have a bachelor’s degree and provide them with accelerated coursework to obtain certification and/or a master’s degree in early childhood education, sometimes while also working in a classroom. Workforce development programs, on the other hand, are specifically designed to provide pathways for current ECE teachers without bachelor’s degrees—the very teachers who are currently more likely to be from certain racial or ethnic minority groups and to speak a language other than English—to earn their degrees and certificates. Using a combination of both programs is thus an important strategy for maintaining or increasing the racial, ethnic, and linguistic diversity of the ECE workforce at every level while improving educators’ qualifications.

In New Jersey, for example, the state created both alternate certification and workforce development programs after a 1998 ruling by the New Jersey State Supreme Court in Abbott v. Burke and subsequent interpretation by the New Jersey Department of Education mandated that all pre-K teachers in the state’s poorest school districts hold bachelor’s degrees and early childhood certification. Importantly, New Jersey provided essential supports to help all ECE teachers in degree or certification programs: scholarships to cover tuition and fees, mandated release time to allow teachers to take classes during the workday, and a limited pool of funds to help centers cover the costs of substitutes. Although information on diversity of the teaching force in New Jersey’s Abbott pre-K programs before the new certification
programs is incomplete, available data indicate that the percentage of nonwhite teachers overall stayed roughly the same throughout the years in which the percentage of teachers with bachelor's degrees increased by roughly 20 percentage points.\textsuperscript{79}

T.E.A.C.H. Early Childhood, which operates in twenty-four states and D.C., and Child Care WAGE$, which operates in five states, have also both proven to be successful models for supporting diverse groups of ECE educators to continue their education. Both programs were started in North Carolina and operate with a combination of foundation and public funding. T.E.A.C.H. provides ECE educators with scholarships and college counseling that allow them to pursue associates or bachelor degrees and graduate without debt. Recipients are sponsored by a child care center where they work while going to school. Teachers who complete their education get a bonus and must agree to stay with a sponsoring program. In 2014–15, T.E.A.C.H. awarded 16,071 scholarships totaling $28.6 million in partnership with 8,100 participating employers, with 46 percent of recipients being people of color, and 50 percent first-generation college students.\textsuperscript{80} Similarly, WAGE$ offers recurring bonuses to ECE teachers who make progress advancing their education and stay with their employer. In 2014–15, WAGE$ awarded $11.1 million in bonuses to 5,788 teachers, with an average bonus of $952 per six months. Of these recipients, 61 percent were people of color.\textsuperscript{81}
The most effective workforce development initiatives also must meet the needs of full-time working, often first-
generation college students pursuing degrees in early childhood education. As with first-generation college students in
general, even relatively small costs or time constraints can pose large obstacles for early childhood teachers and
caregivers working to further their education. One study of recipients of Florida’s EDUCATE grant, a workforce
development program designed to support low-paid child care workers in attaining degrees, found that purchasing
books was an obstacle for many participants because of the grant’s reimbursement schedule. Books could cost hundreds
of dollars, and while the grant would reimburse students who submitted receipts, many lacked the funds to make that
upfront purchase.\textsuperscript{82} Likewise, a study of Los Angeles Universal Preschool’s Child Development Workforce Initiative
found that professors’ and students’ expectations for reasonable timelines for completing degrees—while juggling full-
time work, family responsibilities, and low wages—differed dramatically, because professors did not always understand
the variety of life and work obstacles that their students faced.\textsuperscript{83}
Programs that successfully address a wide range of student needs, however, can be highly effective. Six student cohort programs in four California counties had an 81 percent overall graduation rate for the ECE teachers and caregivers pursuing bachelor's degrees through the program—more than twice the typical graduation rate for community college transfer students. And the graduates were primarily women of color: 95 percent were women, and 76 percent Latino; one-third primarily spoke a language other than English at home; more than half had at least one child living at home; and participants’ average age was 44 years.\textsuperscript{84} Graduates credited the program’s numerous logistical supports—including financial aid, flexible class schedules, convenient class locations, academic advising, and technology assistance—as key contributors to their success.\textsuperscript{85}

\textit{Create Career Pathways / Career Lattices}

Another potentially effective strategy to maintaining diversity is the career pathways approach which would allow individuals who enter the early childhood field with limited educational experience to gain additional credentials while simultaneously working and advancing in the field. Such career pathways are common in the health care field.

The Department of Defense has set up such a career pathway approach for child care workers educating military children, through the implementation of the Military Child Care Act. Entry-level child care workers are placed on the federal government pay scale (GS-2) and raised to the next level of salary (GS-3) upon receiving six months of in-service training, and are given eighteen months to complete a more rigorous training, at which time they are raised to a GS-4.\textsuperscript{86} There is also a state example: the Kansas Early Childhood Apprenticeship program allows child care employers to sponsor paid apprentices who receive on-the-job training along with education either online or in classrooms that allow them to earn a Child Development Associate certificate within the first year of starting work.\textsuperscript{87} A key feature of all of these programs is the opportunity to receive training while working, which offers the kind of flexibility that most low-income women need.

\textit{Address Salary Parity}

Salaries for equivalent positions, filled by individuals with identical credentials, can vary within different early childhood center-based settings, establishing a hierarchy that makes it difficult to maintain a diverse and highly qualified workforce across all settings. This issue becomes particularly important with regard to state pre-K programs, which typically have uniform teacher qualification requirements but may operate across different types of classroom settings, for example, programs run by school districts versus community-based centers. In New York City, for example, the rapid expansion of universal pre-K (UPK) starting in 2014 prompted the need to create new UPK classrooms in both district schools and centers run by community-based organizations (CBOs); however, certified teachers with bachelor's degrees...
in a CBO site typically earned starting salaries of $36,000 to $40,000 per year, compared to a starting salary of $45,000 to $51,000 for pre-K teachers with identical qualifications in districts schools. Moreover, because diversity also varies across settings, this pay gap disproportionately disadvantages teachers and caregivers of color.

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To address this stratification, New York created a policy for salary parity between starting teachers in both settings, providing funding for community-based centers to raise starting salaries to $44,000 per year for certified teachers with bachelor’s degrees and $50,000 per year for certified teachers with master’s degrees. In New Jersey, which faced a similar issue with pay disparities in community-based versus district sites in the state’s Abbott pre-K program, the state instituted a similar policy as mandated by the state Supreme Court. In both cases, compensation in district programs was still greater overall when including benefits and raises over time. Nevertheless, policies like these help to reduce pay inequities and encourage highly educated teachers to teach in community-based programs.

The data we analyzed from the NSECE indicate that salary parity among educated ECE workers is a concern as well. Figure 1 compares the hourly wages of ECE teachers (excluding administrators) with a bachelor’s degree or higher. Overall, ECE teachers of color (black, Hispanic, and Asian teachers) in the survey reported earning about 7.5 percent less than white teachers, and the disparity appears similar among programs with government funding (head start, school based or public pre-k) and the broader ECE field. While the sample is nationally representative, it is not large enough to ascertain whether this racial wage is statistically significant. Still, it points to the need for strong awareness for racial differences in pay for even the most educated teachers and policies to guard against that.

**Conclusion**

Without substantial additional public support, the economics of ECE pit families’ needs against the needs of the ECE workforce: parents’ need for access to affordable, high-quality care and education conflicts with ECE teachers and caregivers’ need to earn a living wage. As a result, parents, providers, and teachers are all feeling the burden of the under-resourcing of what should be treated as a valuable public good. Moreover, the country actually bears major hidden costs of the meager spending in this sector as well: just under half of all early care and education workers rely on at least one major public benefit program, and about 15 percent receive government health insurance. The cost of the public
benefits provided to low-wage working families in the child care industry is a staggering $2.4 billion per year.\textsuperscript{91}

The United States needs to make significant public investments to transform the current broken patchwork of ECE programs into a coherent, high-quality system, and these investments must recognize that compensation and diversity are both central components of high-quality ECE. The nearly 24 million American children under age 6 deserve access to nurturing, educational environments with culturally and linguistically diverse teachers and caregivers.\textsuperscript{92} At the same time, the more than 2 million members of the ECE workforce—overwhelmingly women, including many women of color—deserve access to jobs where they receive the compensation and support to excel as teachers and caregivers and to meet the needs of their own families. Research and public opinion increasingly converge to affirm that now is the time to fix these long-standing problems by providing quality care and education for America’s children while creating quality jobs for the ECE professionals serving them.

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Notes

1. For the purposes of this report, early care and education (ECE) refers to the continuum of care and education that children receive from child care providers, teachers, and their assistants before kindergarten-age, in both center-based and home-based settings.

2. Job quality issues for family day care providers are often more similar to what center owners face, than to what workers in child care centers face. For self-employed family caregivers, reimbursement rates set by government, safety regulations, and access to federally funded food programs directly impact individual earnings. Innovative unionization drives have set up family daycare providers as employees of the state for labor law purposes, but these workers still face much more complex legal and policy challenges than do center-based caregivers.


4. Ibid.


9. Although the government separates “child care workers” and “preschool teachers,” this division is often arbitrary. In this report, an ECE “teacher,” “employee,” “professional,” “educator,” or “caregiver” refers to anyone who works directly with children (both lead teachers and assistants) in center-based or home-based settings.

10. Institute of Medicine and National Research Council of the National Academies, The Early Childhood Care and Education Workforce, 12.


17. Ibid., chapter 6, provides an overview of federal and state policy efforts to improve the quality and compensation of ECE jobs.

18. Ibid.

24. Ibid.
30. “From Best Practices to Breakthrough Impacts: A Science-Based Approach to Building a More Promising Future for Young Children and Families,” Center on the Developing Child at Harvard University, 2016,
32. “From Best Practices to Breakthrough Impacts.”
irle.berkeley.edu/workingpapers.
41. Whitebook, Phillips, and Howes “Worthy Work, STILL Unlivable Wages.”
47. The National Center for Education Statistics, “Number and percentage distribution of teachers in public and private


59. Author’s calculations from National Survey of Early Care and Education (NSECE) 2012.


65. “Essential for Children and Families: Voters Rate Early Childhood Education as a Top National Priority.” 2015 poll, First Five Years Fund, http://ffyf.org/2015-poll/. For the poll, Public Opinions Strategies (R) and Hart Research (D) conducted a telephone survey of 800 voters throughout the country on both landline and cell phones. The survey was conducted September 1-5, 2015 and has an overall margin of error of +/- 3.46 percent. The sample was distributed proportionally throughout the nation and is demographically representative of the electorate.


73. “New Mexico FOCUS: Essential Elements of Quality for Center-Based Early Care and Education Programs,” FOCUS On Your Children’s Learning, July 2014, 12.


83. Marcy Whitebook, Diana Schaack, Fran Kipnis, Lea J.E. Austin, and Laura Sakai, “From Aspiration to Attainment:


89. Ibid.


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