

Increase Early Education Teacher Compensation Now

Introduction

Babies' brains and healthy development are supported by close nurturing relationships with their parents and caregivers in their lives. Young children need experienced, well-educated teachers with whom they can form close attachments and relationships to support their healthy development and early learning. Yet North Carolina is facing an unprecedented workforce crisis, with fewer people entering the early childhood field and qualified teachers leaving the field at high rates. The COVID-19 pandemic has made this situation worse, as teachers risk their own health and lives as essential workers working in extremely stressful environments, all while earning unlivable wages without benefits. Low compensation is the number one reason why early educators are not returning to the classroom, and one in three qualified teachers report they will leave the field in the next three years.

While it is difficult to remedy the situation of low compensation and benefits because of the way the early education system is currently financed, there are important steps that policymakers can take right now to supplement the wages of the early education workforce and make significant progress towards improving conditions for the teachers caring for our state's future workers, innovators, and leaders. The NC Early Education Coalition calls on state policymakers to improve compensation for the workforce now by expanding the Child Care WAGE\$ program statewide.

*Parents can't afford to pay more.
Child care programs can't afford to pay their teachers more.
Early education teachers can't afford to stay for such low wages.*

Why Is This Important to Do Now?

Compensation is too low and not commensurate with education and experience.

According to the 2019 NC Child Care Workforce Study¹, in North Carolina, the median hourly wage for early education teaching center-based staff was just \$12.00 per hour, and only \$9.09 per hour for family child care homes.

Teaching staff earn these low wages even though a majority have at least an associate's degree or higher and more than 10 years of teaching experience. Overall, 87% of directors, 66% of teachers, 50% of teacher assistants and 51% of family child care providers have at least an associate's degree or more in any field; 50% of directors, 44% of teachers, 29% of assistant teachers, and 38% of family child care providers had a degree specifically in early childhood education or child development. Center-based teachers have an average of 12 years of teaching experience, and family child care home providers have on average 18 years of experience.

***"A bachelor's degree
in early childhood
education occupies the
dubious distinction of
the college major with
the lowest projected
lifetime earnings."
-Center for the Study of
Child Care Employment***

Further, most teaching staff lack health insurance and other benefits. Statewide, in 2019, less than half (48%) of child care centers provided fully or partially paid health insurance. Approximately one in five teachers (22%) and assistants (20%) reported having no health insurance from any source; 16% of family child care home providers had no health insurance from any source. The lack of health insurance and other benefits, such as paid sick leave, has compounded the hazardous conditions early educators have face during the COVID-19 pandemic.

Compensation fluctuates depending on type of Center and star rating.

Regardless of education level, child care teachers working in public programs earn the most and are most likely to have health insurance benefits, including teachers in Public School (\$20.19 per hour) and Head Start programs (\$14.00 per hour). Private Not-for Profit offer the next highest compensation (\$10.00 per hour), followed last by Private For-Profit single center sites (\$9.50 per hour). Licensed early care and education programs with NC Pre-K classrooms had substantially better compensation at all levels than did those without such classrooms. Across all types of programs, those with a 5-star rating paid a median starting salary of \$13.46 per hour to a high of \$18.72 per hour compared to just \$9.00 per hour to \$12.00 per hour in 3-star or below programs.

Type of Center	Partly or Fully Paid Health Insurance	Median Starting Teacher	Median Highest Teacher
Private For-Profit (single center)	18%	\$9.50	\$12.98
Private Not-For-Profit (faith community)	29%	\$10.00	\$12.00
Private-For-Profit (multi-center)	47%	\$10.00	\$14.00
Private Not-For-Profit (community/board sponsored)	54%	\$10.00	\$15.00
Public Program (mental health, community college)	100%	\$12.98	\$16.37
Public Head Start	100%	\$14.00	\$18.69
Public School	100%	\$20.19	\$36.60

Source: 2019 Child Care Workforce Study, Child Care Services Association

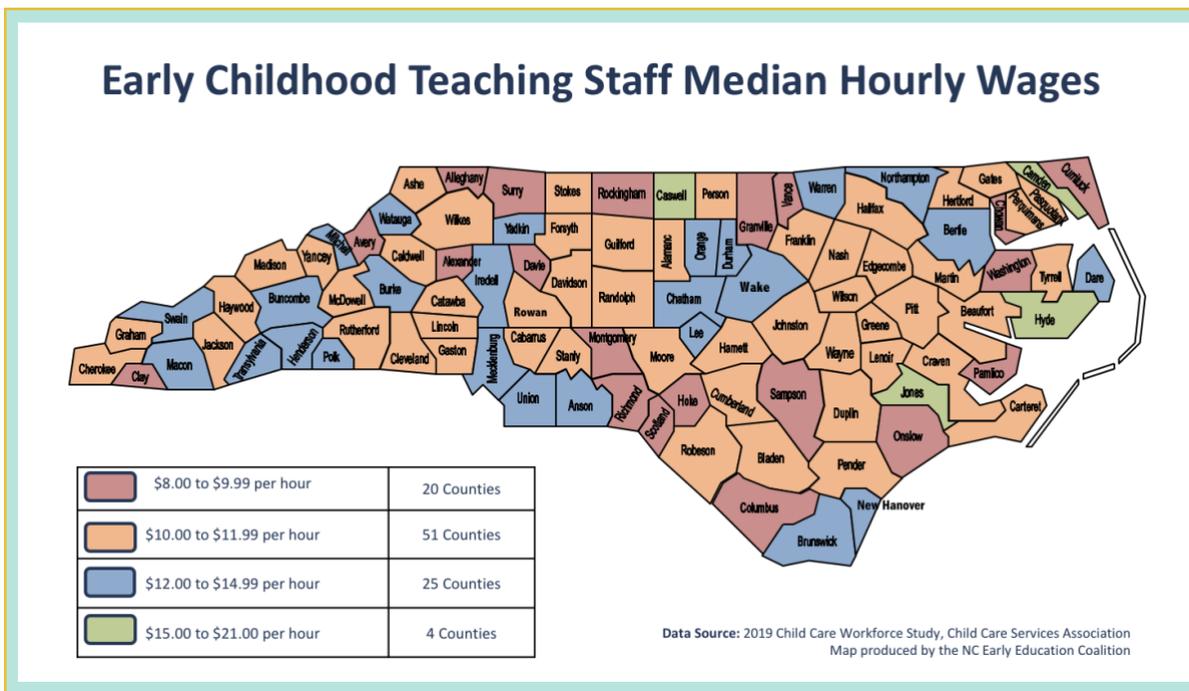
Compensation is less for teachers working with infants and toddlers.

Among an early education workforce that is already underpaid, teachers working with infants and toddlers earn the least, regardless of educational level. The Center for the Study of Child Care Employment’s Early Childhood Workforce Index shows that infant-toddler teachers, even those with a Bachelor’s degree, are paid about \$4 less per hour than similarly qualified early educators working with 3- year olds.² The large wage gap between the earnings of those working with infants and toddlers and those working with preschool-age children undermines the ability to hire and retain staff during a child’s earliest foundational years. Nationally, reports have also found that the infant-toddler teacher “wage gap” disproportionately affects teachers of color, finding that 53% of Black teachers work with this young age group and thereby earn lower wages.³

*“We are **brain architects**, building the future of tomorrow, and our wages should reflect our value!”*
-Adrienne, child care teacher

Compensation ranges vary across the state: overall, 71 counties pay at or below the statewide average of \$12.00 per hour.

For all staff, from assistant teachers through directors, working in an urban setting resulted in higher levels of pay than working in either a rural or suburban setting. Teachers in 20 counties earn less than \$10.00 per hour, with a low of \$8.00 per hour in Alleghany and Chowan Counties. Among urban counties, Orange County pays the highest at \$14.50 Per hour, followed by Wake and Mecklenburg Counties at \$13.75 per hour.



Many teachers are paid so little that they rely on public assistance and can't support their own families.

Those working in the early childhood field face severe economic challenges that affect their own health and wellbeing and their family's economic security. The majority (75%) of early education teachers and assistant teachers have household incomes below the state median family income of \$50,000. In fact, 49% of the teaching staff, 7% of center directors and 30% of family child care providers have an annual family income below \$30,000, which is considered extreme poverty (100% of the federal poverty level for a family of four is \$26,500). The poverty rate for early educators in North Carolina is more than 7 times as high as for public school kindergarten teachers.⁴

*"I cannot afford to live on the measly wages I am paid and have to rely on assistance and a second job to survive. I have a bachelor's degree and get paid less than most places of employment."
-Katie, child care teacher*

As a result of low wages and low household earnings, many early childhood staff are forced to rely on some type of public assistance: 38% of teachers, 37% of assistant teachers and 16% of family child care providers have received some type of public assistance (e.g. Medicaid, SNAP, TANF, child care subsidy) in the previous three years. A total of 13% of teachers reported that they worked a second job to support their families.

Low compensation is the top reason why early education teachers are leaving the field.

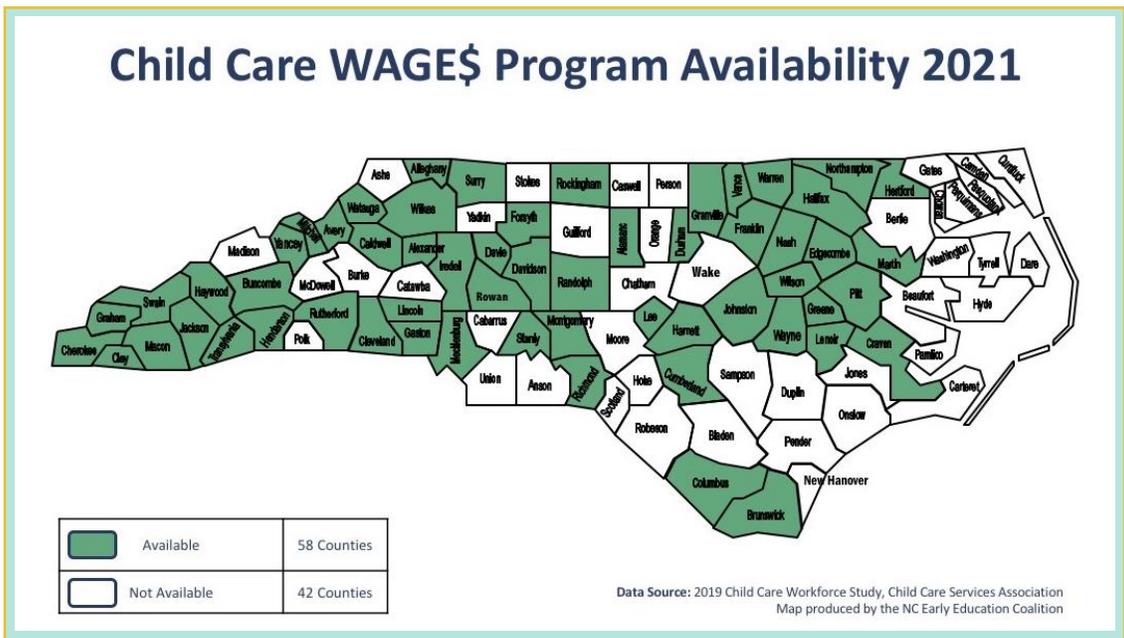
Statewide, 22% of full-time teachers left their center and 18% of full-time assistant teachers left their center last year. Nearly one in five teachers (19%) predicted that they would not be in the field in the next three years, as did 14% of the family child care providers.

*"Higher wages would allow me to take care of my own family. Because of the low wages associated with this field, I have no choice but to leave this occupation."
-Krystle, child care teacher*

When asked what might entice them to stay in the field, higher pay was listed as the top motivator by over 80% of the teaching staff who plan to leave the field. One-third of all family child care providers also indicated that higher pay would keep them in the field. Better benefits were also listed by 55% of the teaching staff as important for their remaining in the early care and education field.

Salary supplement programs, including Child Care WAGE\$® and Infant-Toddler Educator AWARD\$®, help address the compensation crisis but aren't widely available or funded enough to serve all eligible teachers.

Although the current Child Care WAGE\$ program has demonstrated success in supporting higher education levels, reducing turnover, and increasing teacher retention, it is not available statewide. The Child Care WAGE\$ program is only available in 58 counties through support from local Smart Start Partnerships that choose to invest in the program. In FY2020, only 3,800 early childhood teachers—just 14% of the total early education teaching workforce—received these WAGE\$ salary supplements.



The current child care financing system is broken: parents can't afford to pay more, child care programs can't afford to pay their teachers more, and teachers can't afford to stay for such low wages.

Salary supplements alone do not address the underlying problem of low compensation, but they are an important way to provide financial relief for early educators and must be made available statewide in order to support teachers, stabilize child care programs, and improve access to high-quality early learning opportunities for young children in all 100 counties.

As North Carolina continues to deal with the ongoing impact of COVID-19, it is clearer than ever that child care is essential to our economic recovery. Families rely on our early education system to keep working, and child care teachers are the workforce behind the workforce. Professional compensation and benefits for the early childhood workforce is urgently needed to attract and retain high-quality early educators who can support young children's development and keep North Carolina working.



Fact sheet developed by the NC Early Education Coalition

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¹ Child Care Services Association. (2019). Working in Early Care and Education in North Carolina Report https://www.childcareservices.org/wp-content/uploads/CCSA_2020_Statewide_WorkStudyRprt-FINAL-web.pdf. Data in this fact sheet was obtained from this source unless otherwise noted.

² Whitebook, M., McLean, C., Austin, L.J.E., & Edwards, B. (2018). Early Childhood Workforce Index – 2018. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/topic/early-childhood-workforce-index/2018/>.

³ McLean, C., Austin, L.J.E., Whitebook, M., & Olson, K.L. (2021). Early Childhood Workforce Index – 2020. Center for the Study of Child Care Employment, University of California, Berkeley. <https://cscce.berkeley.edu/workforce-index-2020/report-pdf/>

⁴ Gould, E., Whitebook, M., Mokhiber, Z., & Austin, L. (2020). Financing Early Educator Quality: A Values Based Budget for Every State. A series of state-by-state reports produced by the Economic Policy Institute and University of California Berkeley's Center for the Study of Child Care Employment. <https://cscce.berkeley.edu/financing-early-educator-quality-a-values-based-budget-for-every-state/>.