



Child Care  
**WAGES**<sup>®</sup>  
Program



# Making the Case for Child Care WAGES<sup>®</sup> in Your State



# Making the Case for Child Care WAGES®



## Investing in the Early Childhood Profession

There are more than 24.5 million children in the United States birth to age 5. Research makes it clear that children's early experiences are critical for their cognitive, physical and social emotional development. It takes a qualified, educated, stable and effective educator to provide the types of experiences needed to build trust and promote learning. Children who receive high-quality early childhood education (ECE), particularly those from low-income, vulnerable families, are more likely to graduate high school, pursue secondary education and go on to be contributing members of society. Investing in early childhood education supports young children with high-quality learning environments and the educators working in the profession. As a result of COVID-19, there is a greater understanding of the important role ECE plays in the economy; the Federal Reserve System said the "continuation of childcare services is critical for essential service workers and is imperative to economic recovery as working parents return to the workplace." Supporting and strengthening the early childhood field is critical to that recovery. The early childhood educator is at the center of the profession, but the ability to attract and retain high quality educators is negatively impacted by chronic poor compensation.

- The Institute of Medicine and National Research Council released *Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation in 2015*. This report highlighted the critical role the adults working with children play. "Young children thrive and learn best when they have secure, positive relationships with adults who are knowledgeable about how to support their individual progress, and consistency in high-quality care and education experiences as children grow supports their continuous developmental achievements."
- *Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation* also acknowledges that teacher well-being is critical for growth and learning. "Given the importance of stable and responsive relationships that provide consistent and nurturing interactions, the well-being of the adults who care for young children contributes to their healthy development and early learning." The well-being of caregivers is certainly linked to their compensation and economic security. Early care and education continues to be an underpaid profession despite the expectations of what teachers should know and be able to do.
- *The Early Childhood Workforce Index 2020*, a study by the Center for the Study of Child Care Employment, said, "For a single adult with one child, median child care worker wages do not meet a living wage in any state, yet many early educators are themselves also parents, with children at home."
- *Worthy Work, STILL Unlivable Wages: The Early Childhood Workforce 25 Years After the National Child Care Staffing Study*, also by the Center for the Study of Child Care Employment, showed that the worry teachers may feel when underpaid affects the experiences they provide for young children in their classrooms. Worry is an unfortunate reality for early educators. "A significantly higher percentage of teaching staff who earned less than \$12.50 per hour, than of those earning more than \$12.50 per hour, expressed worry about not being able to pay their monthly bills, housing costs, or costs of transportation to work. A larger share of those earning less than \$12.50 per hour also expressed worry about having enough food for their families."
- Recent federal investments into the early childhood field highlight the need. In a press release from the Administration for Children & Families, one way to support the economy is through early childhood. "Child care offers families the dual benefit of early childhood education for young children and support for working parents. As many mothers have been forced out of the labor force in the wake of the COVID-19 health emergency, child care is a critical support for our economic recovery."



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## WAGE\$ as an Effective Model

Without public investment, workforce compensation is a difficult problem to solve. Early childhood is a prime example of market failure. Child care facilities must rely largely on parent fees to pay their staff, but since many parents cannot afford to pay more, early educators ultimately subsidize the care and education they provide. One solution to help address the compensation gap is the Child Care WAGE\$® Program, an education-based salary supplement program funded through external sources. For more than 25 years, WAGE\$ has provided the early education workforce with incentives that reward their coursework, encourage their retention and recognize their worth. This evidence-informed, outcomes-driven strategy helps increase the early childhood workforce's compensation and helps build quality by encouraging education and making it more possible for educated professionals to stay in the field. WAGE\$ can be the change agent your state needs to attract and retain a well-qualified, better compensated early childhood workforce.

### WAGE\$:

- Consistently produces data-driven, measurable outcomes that address the enduring challenges that plague the early childhood field—high turnover, low compensation and insufficient teacher education.
- Provides graduated incentives, issued directly to recipients for time worked in the same early childhood facility.
- Increases compensation without increasing costs to parents.
- Reduces financial stress, allowing recipients to focus on their classrooms instead of financial burdens.
- Enhances professionalism and morale.
- Provides a model that is replicated to fidelity by state-based nonprofit organizations.
- Builds on and collaborates with the T.E.A.C.H. Early Childhood® Scholarship Program.
- Benefits from the support of the T.E.A.C.H. Early Childhood® National Center.
- Can be integral to a state's professional development system.

## WAGE\$ as an Effective Workforce Development and Retention Strategy

The T.E.A.C.H. Early Childhood® National Center (Center) is a national leader in the development and implementation of proven workforce strategies. High-quality, well-educated early childhood educators who stay benefit the young children in their classrooms, their families and the child care program as a whole. Early childhood is also the workforce behind the workforce. By investing in the education and retention of early childhood professionals and supporting their compensation, community, state and national economies can grow and flourish. Not only do children learn and thrive when their early childhood educators are well educated and well compensated, their parents and families have high quality, reliable child care, which allows them to work themselves.

### WAGE\$:

- Directly increases compensation that is reinvested by recipients in their local economies.
- Has a core component that ensures increased compensation is tied to a commitment in the field.



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- Helps address the revolving door of staff turnover and thus reduces child care program costs associated with hiring and onboarding.
- Makes early childhood a more attractive professional option.
- Encourages educators to stay at the same child care program. The T.E.A.C.H. Early Childhood® and Child Care WAGE\$® Annual National Program Report 2019-2020 showed that the average site-based turnover rate of WAGE\$ participants was only 11%. Forty-three percent (43%) of participants were earning less than \$12 per hour from their employer, making their average six-month supplement of \$791 a critical compensation boost.

## WAGE\$ as Strategy to Support Equity and Diversity

WAGE\$ is an effective national strategy that supports a diverse population of early educators and encourages their educational achievements. The Early Childhood Workforce Index 2020 identified that the reality of economic distress in early childhood “falls disproportionately on women of color.” Providing additional compensation is essential to address often poverty-level wages. According to T.E.A.C.H. Early Childhood® and Child Care WAGE\$® Annual National Program Report 2019-2020, WAGE\$ participants were 63% people of color and/or Latinx.

### WAGE\$:

- Provides equitable access to monetary incentives.
- Improves lives. Recipients have a better opportunity to meet their financial obligations and continue to work with the young children they love.
- Advances careers. With encouraged and often mandated education increases, recipients have more professional opportunities.
- Better equips recipients to help their own children. The education of a mother is the strongest predictor of better educational outcomes for her own children, and the enhanced compensation helps meet family needs.

## Benefits of Being a Child Care WAGE\$ State

The T.E.A.C.H. Early Childhood® National Center ensures states implementing WAGE\$ have the information and support they need to effectively develop the model. States can use the Center’s competency-based tools and team of experts to ensure the successful implementation of a strategy to put much needed financial support directly into the hands of a deserving workforce.

### The Center:

- Provides presentations and technical assistance to explain the program and its benefits.
- Helps states explore opportunities for implementing WAGE\$.
- Supports stakeholders in designating an administrative home for WAGE\$, and if necessary, participate in a bidders conference and the Request for Proposal process.
- Supplies the materials necessary for start-up and provides the necessary training and technical assistance.



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- Works closely with all WAGE\$ programs through a system of ongoing technical assistance and quality assurance to help them develop and implement procedures that are consistent with the requirements of the program license agreement.
- Helps states develop supplement and education scales that address the needs of their early childhood workforce. States have the opportunity to increase compensation levels with available funding. (Please note that [Step Up to WAGE\\$](#) has a specific scale and eligibility intended to help states get the program off the ground quickly with ARPA funds; the supplement awards may still be increased.)
- Offers a detailed policy and operational manual to serve as the base for a state's WAGE\$ policy development.
- Provides programs with access to a multi-faceted database that allows for easily accessible data on program outcomes and outputs.
- Implements a schedule of training, monitoring and reporting to help support continuous improvement and goal attainment.
- Helps states use a competency-based self-assessment to better ensure accountability and strong outcomes.

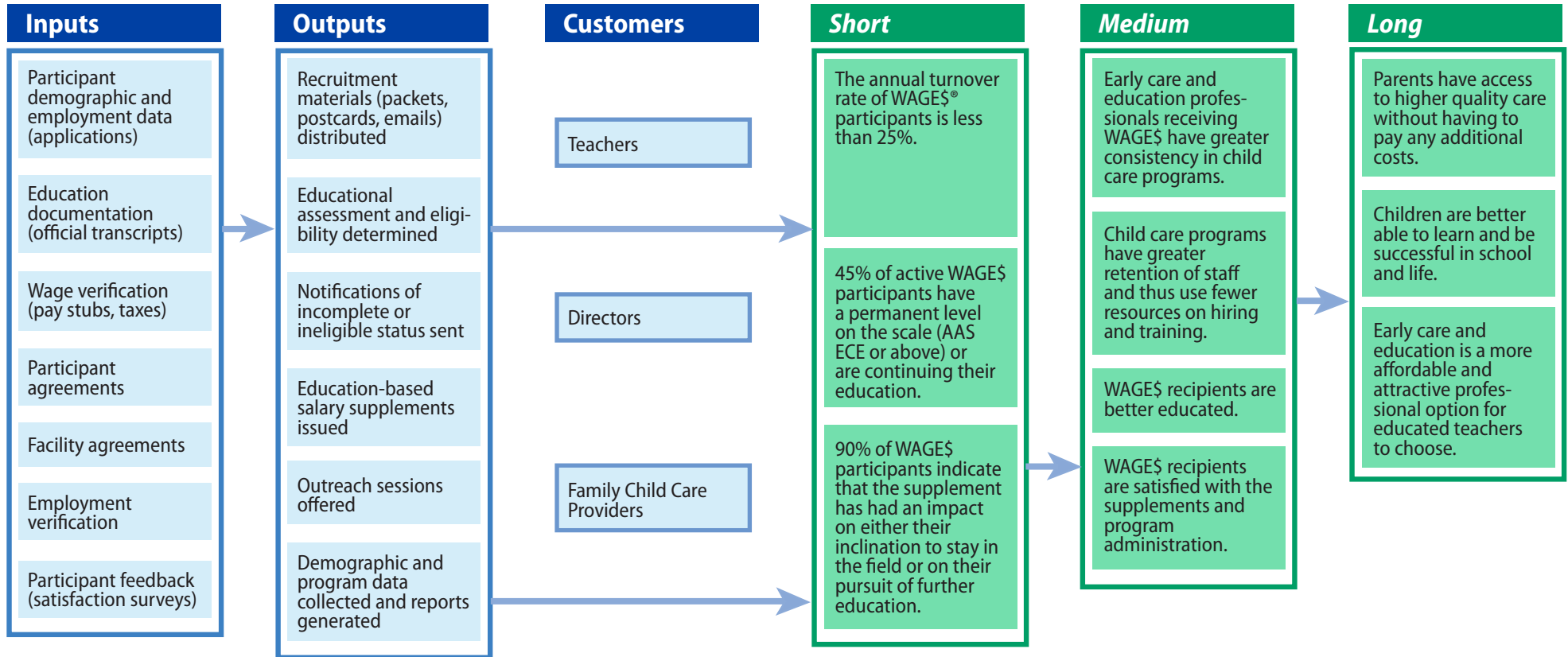
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# Child Care WAGE\$<sup>®</sup> Program Statewide Logic Model



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