



NEVADA ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN (NEVAEYC)

Wages of Early Care and Education Providers FACT SHEET

Background

In 2003, the State of Nevada Demographers office estimated there were 322,704 children between the ages of 0-9 years, the age ranges served by Early Care and Education providers. They additionally projected that the population of children ages 0-4 would grow 17% between 2003 and 2008. According to the *Kids Count Data Book* in Nevada, 78% of young children live in homes with working parents.

Early Care and Education refers to services provided to children from birth to age 5 in private and public child care centers, community or state preschool or pre-kindergarten programs, Head Start, and family child care homes.¹

Research has found teacher wages are more strongly associated with classroom quality than any other characteristic of care and education for all age groups, even when teacher education and other factors linked with quality are included. Additionally, economists have found that investments in Early Care and Education yield an estimated 16% return. That means for every dollar spent, society at large reaps \$16 worth of rewards through decreased needs for intervention and remedial services in school, decreased welfare assistance, as well as increased stability of employment, marriage and homeownership over time. This makes Early Care and Education programs solid economic development tools for states and localities.² Higher wages not only retain teachers, they also attract more highly trained teachers, a factor linked with higher-quality early care and education.³

While the national turnover average is 30%, the Nevada Child Care Workforce Study found that the annual turnover rate among Nevada's early childhood teachers is 45%. Ninety-two percent (92%) of Workforce Study participants who had left the field said that better pay would have kept them in the field. Teachers leaving the field are being replaced by staff with less education and formal training in early child development.

Despite research demonstrating that the top three indicators of quality early care and education include adequate training, education and compensation of teachers:

- More than 67% of full-time teachers nationally earn wages below the poverty level, the highest percentage of poverty wage workers in any industry.
- Teachers at the highest end of the pay scale, who usually have bachelor's degrees and several years of experience, earn less than \$20,000 per year on average.⁴
- The mean wages of early care and education teachers were among the lowest of more than 700 occupations tracked by the annual Occupational Employment Statistics survey, with only 18 occupations reporting wages lower than early care and education teachers.

The return on investment from early childhood development is extraordinary, resulting in better working public schools, more educated workers and less crime. ~ Federal Reserve Bank of Minneapolis²

¹ Carroll, J., et al. *Effective Investments in Early Care and Education: What Can We Learn from Research?* National Conference of State Legislatures. Child Care and Early Education Research and Policy Series. March 2004.

² Rolnick, Art and Grunewald, Ron. *Early Childhood Development: Economic Development with a High Public Return.* March 2003. Accessed online at <http://www.mpls.frb.org/pubs/fedgaz/03-03/earlychild.cfm?js=0>

³ Lowenstein, A.E., et al. *The Effects of Professional Development Efforts and Compensation on Quality of Early Care and Education Services.* Report No. 2. National Conference of State Legislatures. Child Care and Early Education Research and Policy Series. March 2004.

⁴ Ibid.

The table below compares wages across nine occupations, those with similar education requirements as well as those requiring far less education than early care and education teachers. Regardless of education requirements, the table illustrates that early care and education providers make the lowest wages.

Comparison of Annual Salary Across Industries Nationwide ⁵	
Occupation	Average Annual Salary
Elementary School Teacher	\$41,080
Kindergarten Teacher (in Nevada)	\$43,083
Social Worker	\$32,960
Bus driver	\$30,730
Barber	\$23,300
Janitor	\$20,480
Preschool Teachers	\$18,650
Child Care Workers	\$17,610
Family Child Care Provider	\$17,368

Our expectation has always been that the care and education of young children is the responsibility of parents rather than of society. However, many parents find the cost of child care prohibitive, often having to make choices between paying for child care and meeting other essential needs for their families. Almost 60% of child care directors surveyed indicated that substantial amounts of money were owed to them by parents or guardians, putting their own businesses at risk.⁶ To offer compensation that would be sufficient to attract and retain qualified child care providers, child care programs would have to charge parents fees that many parents could not afford.⁷

A wealth of research over the past several decades demonstrates that high quality early care and education prepares children for school and life beyond.⁸ These studies found positive short term, intermediate and long term outcomes of high quality early care and education:

- Short term outcomes include **improved math and language skills, advanced learning skills, and more positive relationships with other children and adults.**
- Intermediate outcomes found during school years included **reduced need for special education; improved academic achievement; and increased completion of high school.**
- Long term outcomes which reduce government spending on social programs include **lower rates of criminal behavior; higher rates of employment; lower teen pregnancy rates;** higher rates of attending post-secondary school and attaining degrees; lower rates of receiving public assistance; and **higher rates of home ownership.**⁹

*About 67% of middle class children do not know the alphabet when they enter kindergarten and about 40% of first-time kindergarteners cannot count to ten. Providing voluntary, high-quality pre-k to all children is as much about economic development as it is a tool to improve educational outcomes.
~ PreK Now.¹*

Nevada’s parents can work because their child care works. It’s time to compensate Early Care and Education professionals’ with adequate wages for providing quality care. NevAEYC acknowledges that optimal child care experiences include care provided by early care and education professionals who have advanced levels of formal education, specialized training, and are adequately compensated. For more information contact NevAEYC by visiting our website at www.nevaeyc.org or contact Margot Chappel, Vice President of Public Policy at margotchappel@charter.net or (775) 830-7275.

⁵ Data extracted from two sources. Lowenstein, A.E., et al. *The Effects of Professional Development Efforts and Compensation on Quality of Early Care and Education Services*. Report No. 2. National Conference of State Legislatures. Child Care and Early Education Research and Policy Series. March 2004. and H.R. 2000. FOCUS Act. Text accessed online at <http://thomas.loc.gov/cgi-bin/query/F?c109:1:./temp/~c109NM3RCt:e1701>

⁶ Essa, Eva. *The Nevada Child Care Workforce Study. Who Cares for Nevada’s Children? A Profile of the Demographic, Economic, and Quality Aspects of Child Care in Nevada*. (July 2002). Accessed online at http://www.unr.edu/hcs/hdfs/eva_essa%5Cchildcareworkforcestudy.pdf (March 3, 2006).

⁷ H.R. 2000. FOCUS Act. Text accessed online at <http://thomas.loc.gov/cgi-bin/query/F?c109:1:./temp/~c109NM3RCt:e1701>

⁸ Essa, Eva. *The Nevada Child Care Workforce Study*.

⁹ Carroll, J., et al. *Effective Investments in Early Care and Education: What Can We Learn from Research?* Report No. 1. National Conference of State Legislatures. Child Care and Early Education Research and Policy Series. March 2004.