Yes, We Can! Strategies for Raising Compensation for the Child Care Workforce

> Webinar May 23, 2023

f y in 🛛 🗖 🖗

## Webinar Basics

To minimize background noise, all attendees will be **muted** for the duration of the webinar.



Use the chat feature to let us know if you are having **technical problems** during the webinar. Use the chat feature to submit your **questions** at any time during the presentation.

#### This webinar will be recorded and posted online at a later date.

## Webinar Topics

- What are the challenges to attracting and retaining early care and education (ECE) workers?
- What are the wage and advancement trajectories for workers within ECE occupations; how do they differ by gender and race/ethnicity?
- What are promising strategies for improving compensation for the ECE workforce?
- How can you lay the groundwork for the adoption of similar strategies in your state, county, or city?

## **Poll Question for Participants**

## **QUESTION 1**

# What strategies have you been a part of to raise ECE compensation? (check all that apply)

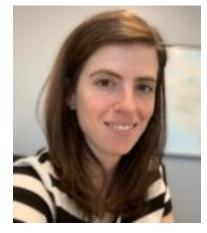
- a. Bonuses tied to education attainment and/or retention
- b. Bonuses as part of ARPA funding
- c. Local ARPA funding for "premium pay"
- d. Tax credits for early childhood educators
- e. Advocacy campaigns to raise awareness (e.g., Day Without Child Care)
- f. Helping to create a wage/salary scale or schedule for the field
- g. Helping to create access to affordable/free health care coverage
- h. Providing research and data

## Meet the Presenters





Adele Robinson Principal Abt Associates



Deena Schwartz Senior Associate Abt Associates



David Kaz Principal Associate Abt Associates

## Meet the Presenters



Beth Bye Commissioner State of Connecticut Office of Early Childhood



Kimberly Perry Executive Director DC Action for Children



## What do We Know about Wage **Trajectories for ECE Workers?**

# Understanding Career Trajectories for the ECE Workforce



#### How to Use the CTOT Dashboard:

Select a tab for interactive data visualizations or reference material about the data and research project.

#### Interactive tabs:

- 1. Occupational Cluster can tell you, "What are workers' typical wage trajectories after they start working in an occupation in a particular cluster (e.g., healthcare, transportation)?"
- 2. Key Occupation Data can tell you, for each occupation, "How much wage growth do workers who enter specific occupations see over three, five and ten years?"
- 3. Occupation Trajectory and Transitions can tell you, for each occupation, "What do career trajectories and occupational transitions look like over three, five, and ten years?"

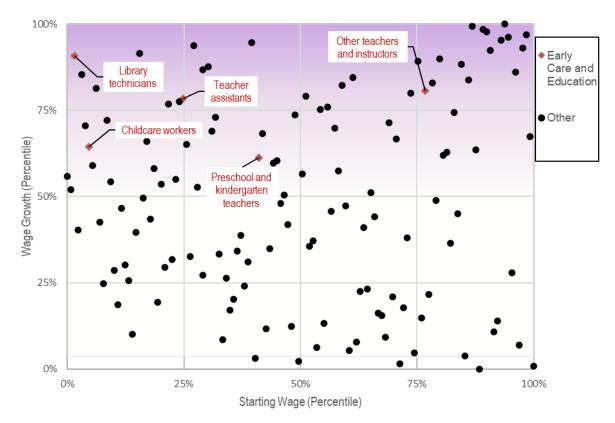
Reference tabs:

- 4. Reference provides additional material such as information about the data used, the project that sponsored the development of the dashboard, glossary of key concepts and terms, and more.
- 5. Reference List of Occupations provides information about which mid-level occupations and common job titles are included in each occupational cluster used in the dashboard.

CHIEF EVALUATION OFFICE This dashboard was prepared for the U.S. Department of Labor (DOL), Chief Evaluation Office by Abt Associates, under contract number 1605DC-18-A-0037/1605DC-18-F-00389. The views expressed are those UNITED STATES DEPARTMENT OF LABOR of the authors and should not be attributed to DOL, nor does mention of trade names, commercial products, or organizations imply endorsement of same the U.S. government.

## "Launchpad" occupations offer higher than average wage growth; they can have higher or lower starting wages

Starting Wage and 10-Year Wage Growth for Mid-Level Occupations

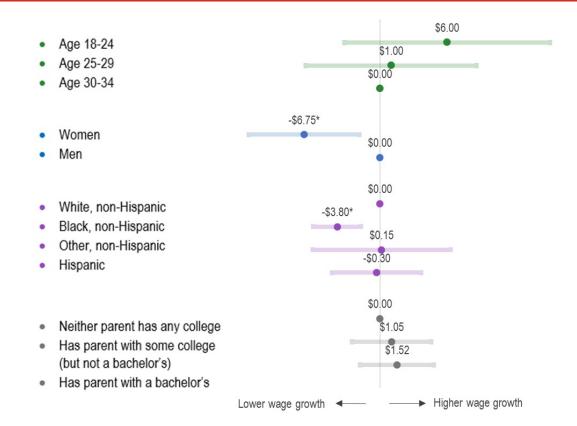


- Occupations in the top right will tend to lead to higher long-run wages for entrants, with *both* 1) **high starting wages** and 2) **high wage growth.**
- ECE occupations rank low on starting wage but higher on wage growth

## **Occupational Data**

	<b>Childcare Workers</b>	<b>Teacher Assistants</b>	
Most common "next jobs"	<ul> <li>Retail Salespersons</li> <li>Secretaries and Administrative Assistants</li> <li>Cashiers</li> </ul>	<ul> <li>Substitute Teachers</li> <li>Secretaries and Administrative Assistants</li> <li>Life, physical and social science technicians</li> </ul>	
Number of top 10 "next jobs" in ECE	1	3	
Working in same job in 10 years	5%	3%	
Working in field in 10 years	14%	30%	

## Wage growth varies by workers' race and gender (ECE)



Ten years after starting the same ECE occupation at a similar wage:

- Men are earning \$6.75 more than women.
- White workers are earning \$3.80 more than Black workers.

#### Looking Forward: Data to Support Equitable ECE Pathways, Compensation, and Retention



- Using workforce registries and ECE specific data sources for more meaningful grouping by occupations and settings
- Increasing sample sizes through other sources (e.g., Longitudinal Employer-Household Dynamics, IRS data)
- Integrating data culled from resumes and worker profiles

#### • Examine:

- How workers move between different occupations and settings in the field
  - Whether this movement varies for workers of different racial and ethnic backgrounds
  - Whether and how this affects overall retention in the field
- How potential policy actions might affect workers of different racial and ethnic backgrounds differently
- How policy actions might affect overall compensation and retention

# What are the Strategies for Improving Compensation for ECE Workers?

## Successful Strategies - District of Columbia



#### APPLICATION OPEN FOR NEWLY HIRED AND NEWLY ELIGIBLE EARLY CHILDHOOD EDUCATORS!



Fiscal Year 2024 Minimum Salaries and Salary Schedule for Early Childhood Educators

## **DC Strategies**



New wealth tax funds the Early Childhood Educator Pay Equity Fund

Year 1 wage supplements directly to teachers, assistant teachers, and family child care

Shifting now to Payroll Formula to programs that includes:

- Base amount to meet minimum salary
- Administrative enhancement (fringe)
- Equity adjustment if enrolling children with subsidy

Proposed wage schedule mirroring public schools

Working toward pay equity for center directors and other staff

## Successful Strategies - Connecticut

#### WAGE SUPPORTS PHASE 2 AWARDS

While the payments are for staff, **staff members don't apply directly**. Instead, the child care program that employs them applies for the funding. When the program receives the money, they pay the staff.

**Per-staff payments (base payments and additional payments):** All eligible staff receive a **base payment** based on the hours they work. On top of that, they may get **additional payments** based on whether the child care program qualifies.

	Full Time <sup>1</sup>	Part Time
Base payment for eligible full-time workers	\$1,700	\$650
Program is accredited by NAEYC or NAFCC or has Head Start Approval	+\$170	+\$65
Program has an OEC license to serve infants and toddlers	+\$170	+\$65
Program has had at least one active C4K certificate between 7/1/21 and 1/31/23	+\$170	+\$65



Flexible program bonuses for staff: If your child care program is eligible, we send these funds to the program. The program must use this money to compensate staff.

SVI bonus: If the program is located in an area with a Social Vulnerability Index (SVI) of 0.6 or higher	+25% of all staff members' per- staff payment totals	
<b>Registry bonus:</b> If program administrators and teaching staff have active accounts in the OEC Early Childhood Professional Registry	+25% of all staff members' per- staff payment totals	

Administrative payments: We will also send a payment of **18% of the payment total** to cover administrative support, such as Social Security, Employer share of state and federal taxes, and other administrative processing fees



Substitute Senate Bill No. 935

Public Act No. 19-61

AN ACT REQUIRING THE OFFICE OF EARLY CHILDHOOD TO DEVELOP A PROPOSED EARLY CHILDHOOD EDUCATOR COMPENSATION SCHEDULE.

## **Connecticut Strategies**

Wage Supports started with ARPA and now state funding – now in Wage Supports Phase 2

Licensed providers and licensed exempt in the School Readiness or CDC funding

- Base amount
- Program accredited or Head Start approval
- Serves infants and toddlers

Social Vulnerability Index bonus and Registry Bonus

Proposed salary schedule

## **Panel Discussion**



## Audience Q&A



Add your comments in the chat box!

## **QUESTION 2**

What specific topics related to the ECE workforce, (or specifically compensation strategies for ECE workers), do you want to learn more about that would make the biggest difference in your work?

[short answer]

Where can I Find More Information about These and Other Topics?



## Resources (Abt)



- <u>Career Trajectories and Occupational Transitions Dashboard</u>
- Building Better Pathways: An Analysis of Career Trajectories and Occupational Transitions
- Wage Growth Disparities by Gender and Race/Ethnicity Among Entrants to Mid-Level
   Occupations in the U.S.
- Building a Stronger Early Childhood System: Ongoing State Efforts to Improve Coordination and Alignment | Abt Associates
- Abt's State and Local Partnerships to Inform Early Care and Education Policy and Practice
- Spotlight On: Early Childhood Care and Education
- Join the <u>Abt mailing list</u> (get notified of upcoming webinar(s), reports, etc.)





Pay Equity Fund 2022

Payroll Funding Formula

HealthCare4ChildCare

DC Action for Children





Wage Supports for Early Childhood Educators

Proposed Wage Schedule

Connecticut Office of Early Childhood

## Thank you!

#### **Contact:**

Adele\_Robinson@abtassoc.com Deena\_Schwartz@abtassoc.com David\_Kaz@abtassoc.com

