Research shows that the quality of early care and education children receive is lowered by high turnover rates and inadequate teacher education focused on young children’s development and learning. Parents also suffer from instability in early childhood programs.

Early childhood programs, however, experience high rates of churning or turnover. Current financing of early childhood education programs leaves many providers without resources to adequately pay their staff and themselves. As early childhood educators earn higher degrees and credentials, public funding does not provide the ability to compensate staff on par with public school teacher salaries or benefits.

The Child Care WAGE$® Program, begun in North Carolina and now operating in multiple states, provides tiered salary supplements to low-paid teachers, directors and family child care educators working with children ages birth to five years old. Eligible individuals receive the supplement at the end of each six-month period they remain in the same site. The program is administered through a state or regional organization and funded through a combination of public and private sources.

The results from the Child Care WAGE$® Program benefit children, families, educators, and early childhood center and family child care businesses. WAGE$:

- Increases retention of early care and education staff with more education that improves the quality of children’s experiences and learning.
- Reduces the costs of hiring a replacement (with a low turnover average among Child Care WAGE$® recipients).
- Sustains small early care and education businesses which struggle with paying higher salaries without raising parent fees.
- Enables early care and education programs to work toward and receive higher quality ratings, which are linked to better reimbursement revenue and state–prekindergarten funds.
- Provides greater compensation equity for people of color and women (in 2019-2020, 57% of WAGE$ participants were people of color or of Hispanic origin and 99% were women).
Policy Recommendations

- Increase federal, state, and local funding so that grants, contracts, and other forms of reimbursement to providers match the cost of early care and education, including a well-compensated early childhood workforce (both income and benefits).
- Assess regularly how higher education, workforce development, and early childhood funding streams and policies are reaching and supporting early childhood educators of color, dual language educators, and early childhood educators serving infants and toddlers.
- Provide federal, state, and local funding for integrated workforce registries in every state, requiring participation by all early childhood educators, so that comprehensive data collection and analysis of the workforce is available.
- Provide funding for paid release time for professional development, a substitute pool, and on-site mentoring of new teachers to improve conditions to support educators’ performance and retention.
- Dedicate a portion of the state CCDF grants set aside for Child Care WAGES® supplements to help retain educated early childhood professionals.

Learn more about Child Care WAGES®, a program of Child Care Services Association’s T.E.A.C.H. Early Childhood National Center, at teachecnationalcenter.org/child-care-wage.