

POLICY BRIEF

State lawmakers can strengthen the workforce by investing in strategies to recruit & retain qualified educators in childcare settings.

Mississippi needs more childcare teachers to meet the needs of working parents - and their employers.

Mississippi childcare providers cannot recruit or retain enough teachers on staff to meet the needs of working parents and caregivers. Inadequate compensation is consistently identified as the driving force behind childcare staffing shortages, in Mississippi and across the country.^{1,2} Experienced and qualified teachers are leaving the field for better paying opportunities in other industries or in the K-12 school system.

This leaves parents - especially parents of children under age 4 - without the childcare they need to remain in the workforce or education programs. It also costs employers money in the form of employee absences, unexpected overtime, and turnover.³

Early childhood education programs are supposed to yield dual benefits: learning opportunities for children at a particularly formative life stage, and critical work supports for families and the economy. Teachers leaving at such high rates severely undermines both.”

- The Brookings Institution²

What can be done at a policy level to change this?

We need Mississippi to invest funds in strategies and programs that make entering and staying in the childcare industry a competitive choice for qualified Mississippi workers. This means paying childcare teachers a wage closer to that of other early educators, such as teachers in school-based prekindergarten classrooms. However, we know that raising tuition rates is not a solution that will work for Mississippi families, as childcare is already not affordable for many families making the median income in our state.⁴ Other states have successfully encouraged teacher retention by offering a wage supplement for childcare workers that gets pay closer to the starting school-based prekindergarten salary.⁵

The Child Care WAGE\$ program offers wage supplements, and currently operates in five states. These wage supplements encourage childcare educators to increase their educational levels so they can support children in more effective ways. Supplements also encourage retention, as they are connected to longevity of work - the supplement is paid out every six months as long as the teacher remains employed at the same center.

“The Child Care WAGE\$® Program is important because child care staff are underpaid. It allows quality teachers to be able to add resources to their classroom, continue their education, and meet the needs of their households. Sometimes our paychecks just go towards our bills, and we also spend quite a bit on things our students or classrooms need. The WAGE\$ Program helps us replace some of that money so we can survive.”

- WAGE\$ program participant⁵

Mississippi’s excess state lottery funds - or other unallocated funds - might be used to fund a WAGE\$-like program that provides ongoing financial incentives for teachers to stay in their jobs and pursue additional qualifications. Using unallocated state funds prevents centers from having to raise rates for families, and avoids dipping into public funding that is already allocated to other critical supports for early care & education



This policy brief was prepared by the Mississippi Early Learning Alliance in preparation hearings held by the Mississippi Senate Study Group on Women, Children and Families.

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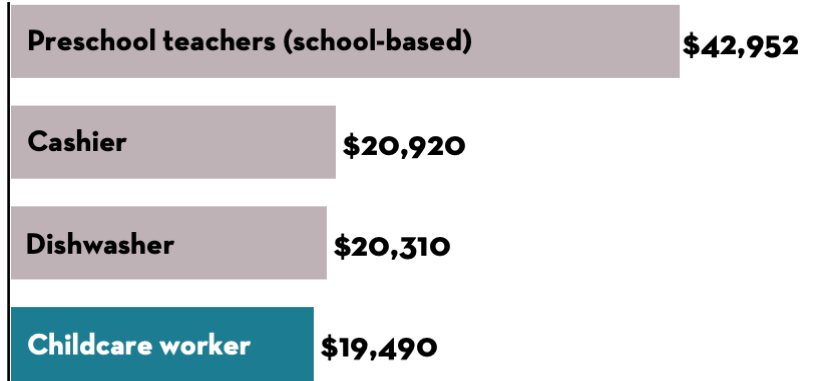
Investing in programs to recruit and retain childcare teachers can yield broad returns for teachers, children, families, and employers.

Low pay and lack of benefits prevent childcare from being an attractive career option.

Childcare workers make less than half the annual income of most preschool teachers, typically with no benefits.⁶ They also make less than the average cashier or dishwasher.⁶

The poverty rate for all early educators is 25%, which is about double the poverty rate for Mississippi workers in general (12%).⁷

Low pay is causing childcare teachers to leave this essential field of work.



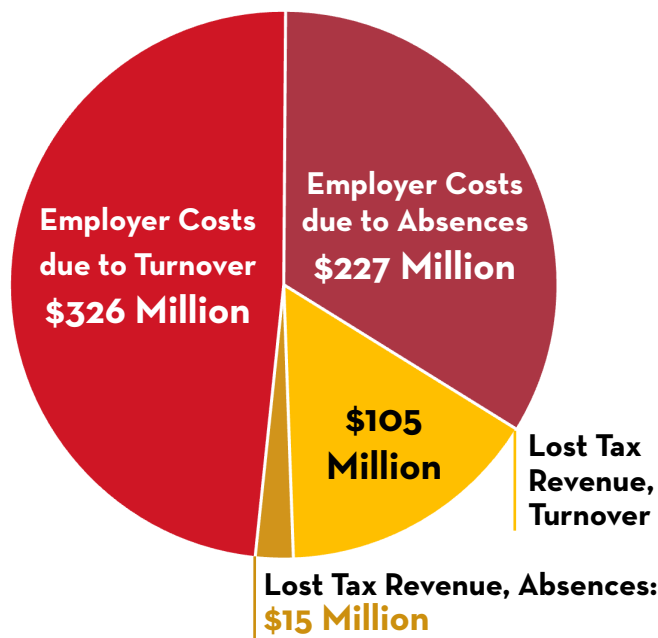
A National Association for the Education of Young Children (NAEYC) survey of 7,500 childcare worker found that “78% of respondents identified low wages as the main obstacle to recruitment of educators, and 81% said that insufficient pay is the main reason educators leave the field.”⁸

Mississippi early childhood professionals said...¹

“Well, most of the time when I get teachers and they get their degree, guess what? The school takes them.”



“Honestly, at this point you can go to... Chick-Fil-A and get more than what teachers are getting right now in early childhood.”



Mississippi is losing around \$673 million annually because of gaps in childcare.³

In 2021, more than half of parents reported missing work due to child care issues.⁹ Employers lose approximately \$553 million per year due to worker absences and employee turnover, due to increased costs in the form of overtime and additional hiring and training costs.³

When parents leave the workforce because they don't have access to childcare, revenues from income tax decline. Parents often have to reduce their spending as well, which leads to a decrease in sales tax revenue.³ Mississippi loses \$120 million in taxes every year due to childcare issues.³

“As policymakers and business leaders consider ways to position Mississippi for success, investing in childcare could enable Mississippi to fully capitalize on its resources.”

- From *Untapped Potential in Mississippi*, a report by the U.S. Chamber of Commerce Foundation, the Mississippi Economic Council and the Children's Foundation of Mississippi³

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Investing in programs to recruit and retain childcare teachers can yield broad returns for teachers, children, families, and employers.

Adequate and stable staffing is necessary to increase childcare access and improve quality.

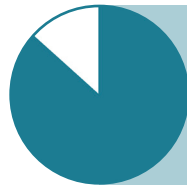
Staffing shortages prevent childcare directors from providing consistent, high-quality care to children. In recent focus groups conducted by the Mississippi State Early Childhood Advisory Council, childcare directors shared that they cannot open to full capacity because they cannot fully staff their classrooms.¹ Further, many of the new staff they hire are inexperienced, with little prior training in child development or early care and education, and little commitment to staying in the field.¹

Research consistently shows that when young children can form stable, attached relationships with their caregivers and teachers outside the home, they are more ready for school and sometimes even demonstrate greater cognitive growth. **When childcare and early education programs have high teacher turnover, children's language, literacy, and socio-emotional development suffers.**^{10, 11}

Other southern states, such as North Carolina, Tennessee, and Florida have implemented the WAGE\$ program. Participating states have seen a decrease in early education teacher turnover. Further, WAGE\$ participants said that the program both incentivizes them to pursue additional coursework and makes that effort more financially feasible.⁵



In 2021-2022, participating states saw a **14% annual average turnover rate**⁵ (across studies nationally, annual turnover rates for childcare workers range from 26% to 40%¹²).



87% of WAGE\$ participants have achieved at least a two-year degree in Early Childhood Education, or are pursuing additional relevant coursework.⁵

"Within the last year, I went through about 14 teachers. I hired 17 and went through like 14."

- Mississippi Childcare Center Director¹

"[The WAGE\$ program] is critical...We can't offer health insurance as it is cost prohibitive. However, these stipends go a long way in helping out staff with their basic needs, including health care costs.

Without WAGE\$, I don't know if we could retain our staff. I think turnover would be doubled and quality of care would go down significantly...we must be able to retain our educated staff."

- WAGE\$ director in North Carolina⁵

"This money helps us continue to do the job we were called to do."

- WAGE\$ participant in North Carolina⁵

THE BOTTOM LINE

The benefits of fully-staffed childcare centers are straightforward: when centers can take care of more children, more parents can go to work. When more parents can go to work consistently, their employers save money. Parents and caregivers who remain in the workforce are better able to support themselves, their families, and the overall economy.

A stable and qualified childcare workforce is necessary to strengthen Mississippi's economy, but it's also foundational to efforts to improve school readiness and children's literacy. We envision a Mississippi where our childcare teachers are recognized and compensated for the critical role they play in supporting our workforce, our children, and our future.

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