
Early Childhood Workforce Wage and Career Ladder

— A Funding Solution —

The problem we face in NM

- 31%* turnover rate of early childhood educators.
- Turnover due to low wages: average \$9.66** per hour.
- Turnover effects quality of programs.
- The effects of low wages on the workforce are staggering.

Conclusion: Lower turnover, due to higher wages results in increased quality and betterment of life for workforce.

*2016 NM Child Care Data Report

**Early Childhood Workforce Index 2018

The economic conundrum

Why does child care and early education cost so much,

- Infant care annually: \$8,617*
- 4 year old care annually: \$7,609*

And early educators make so little: \$9.66 per hour?

*Economic Policy Institute, The Cost of Child Care in NM



Early Childhood and Care Department Act

The Act calls for construction of:

- Career Ladder,
- Wage structure,
- Professional Development Plan.

This will allow early educators to chart a long -term commitment to the profession and provides a clear pathway to increase their professional development and compensation.

Promoting high quality early education and care

- Higher wages would result in decreased turnover, which in turn means increased quality.
- Teachers who look like their students also means increased quality.
- A clear career pathway allows early educators to work towards the position and wages they want on the timeline that works for them.

Voluntary Wage Program

1. This bill will appropriate \$19 million to a non-reverting fund.
1. The ECEC Department will award grants to early learning providers.
1. Grants will support wages between \$15 and \$23 per hour.
1. Provider can establish different compensation levels based on experience, education, and responsibility.
1. As a pilot program, collecting data will allow for a better understanding of the solution.

Example from current child care center:

A	B	C	D	E	F	G	H	I	J	K	L
Employee	Position	Hourly Pay	Salary	Avg. Monthly Payroll	Avg. Monthly Taxes	Ed Level	Degree Working Towards	Wage with 63% Supplement	Wage with \$1 increase for work towards advanced degree	Hourly Cost to State	Annual Cost to State
1	Pre-K 4	\$12.00		\$2,000.00	\$230.00	ECE Certificate		\$19.56		\$7.56	\$18,083.52
2	Director		\$2,500.00	\$5,000.00	\$1,000.00	BA Psych	Dual Masters ECEM/Psych				
3	Pre-K 3	\$11.50		\$2,000.00	\$400.00	ECE Certificate	Associates	\$18.75	\$19.75	\$8.25	\$19,734.00
4	Asst Director		\$2,000.00	\$4,000.00	\$800.00	MBA					
5	Toddler Teacher	\$10.00		\$1,600.00	\$200.00	ECE Certificate	Associates	\$16.30	\$17.30	\$7.30	\$17,461.60
6	Infant Teacher	\$9.20		\$1,472.00	\$120.00		CDC	\$15.00		\$5.80	\$13,864.03
7	Office Asst	\$10.50		\$1,700.00	\$200.00		Accounting Degree	\$17.12	\$18.12	\$7.62	\$18,227.04
8	Pre-K 3	\$10.00		\$1,600.00	\$200.00		CDC	\$16.30		\$6.30	\$15,069.60
9	Pre-K 4	\$10.00		\$1,600.00	\$200.00	ECE Certificate		\$16.30		\$6.30	\$15,069.60
10	1 yr Teacher	\$11.00		\$1,800.00	\$250.00	ECE Certificate		\$17.93		\$6.93	\$16,576.56
11	Kitchen	\$10.00		\$1,600.00	\$150.00			\$16.30		\$6.30	\$15,069.60
Additional Taxes						\$1,588.00					
Subtotal					\$24,372.00	\$5,338.00					
TOTAL					\$29,710.00						\$149,155.55

63% wage increase determined by % increase required to get lowest-paid staff (Employee 6) to \$15.

Employees working towards advanced degree get additional \$1/hour raise (column J)

Questions