

# Transforming Minnesota's Early Childhood Workforce Newsletter



## Compensation Reform

Early childhood educators, whether they work in centers, schools or family child care settings, do vitally important work building the brains of our future workforce and yet they earn very little money for this critical work. Low compensation prevents many promising educators from entering and/or staying in the field, forces teachers to struggle to meet their own family's needs, makes it difficult to deliver on the promises of return on investment of high-quality early care and education and is fundamentally unfair to the hard-working educators, most of whom are women. Minnesota has had groups of advocates and policy-makers delving into this issue over the years. Most recently, a subcommittee of Transforming Minnesota's Early Childhood Workforce, the "Moving the Needle on Compensation" team, with support from the TEACH Early Childhood<sup>®</sup> National Center, has come up with recommendations to improve compensation in Minnesota.

It is important to understand the difference between financial relief strategies and true compensation reform:

### Financial Relief

Financial relief strategies are interim or temporary solutions

Examples of financial relief include:

- Stipends
- Tax credits
- Bonuses (like REETAIN awards in Minnesota)



### vs. Compensation Reform

True compensation reform is a long-term solution



True compensation reform includes:

- A living wage or income
- Benefits
- Pay for non-contact time for planning and professional development
- Use of salary scales to ensure equitable compensation commensurate with credentials and experience

NOTE: We use the term "compensation" as a broad term that encompasses both the salaries and wages paid to educators working in child care centers and preschool programs as well as the income or revenue of educators operating their own home-based early care and education businesses.

## Election Impacts on Early Care and Education

- President-Elect Biden's campaign included his support for tax credits for parents, higher wages for the early childhood workforce and more funds for 3- and 4 year olds. Stay tuned for more!
- Minnesota faces a challenging budget this session but we know that investments in early care and education are critical for our economic recovery.



## Read More about the Early Care and Education Industry

The Minnesota Department of Employment and Economic Development just published an article about the early care and education industry. This report, "*Early Care and Education: Profile of an Industry in Crisis*," is worth reading. Even before COVID-19, the early care and education industry was experiencing a quiet crisis. The pandemic has made this quiet crisis more apparent. We have known that the cost of early care and education is unaffordable for most families; that businesses operate with razor thin margins and that wages do not meet the basic cost of living. This article provides Minnesota-specific details and documents why the early care and education industry and its workforce is so critical to Minnesota's economy. These problems all point to the need for fundamental changes in the industry and its financing mechanisms. Read it here: <https://bit.ly/3pXMZrP>

# Moving the Needle on Compensation Team's Vision and Recommendations for Compensation Reform

**VISION:** Early childhood compensation should include:

- Fair and equitable wages/earnings that allow the early childhood educator to support herself and her family;
- Reasonable benefits including health insurance and paid time off; and
- Work standards that acknowledge the needs of the profession including planning time as well as professional development opportunities, resources and support.

Compensation should not be dependent on the age of the children served nor the setting of the care but rather linked to credentials and expertise in line with the Power to the Profession designations and in parity with K-12 educators with similar credentials and years of experience.

## **RECOMMENDATIONS:**

1. Adopt and Implement Power to the Profession and include salary scales for the different classifications of educators.
2. Ensure adequate financing for early care and education in Minnesota.
3. Support Minnesota early childhood professionals in earning early childhood credits and degrees.
4. Engage and educate the public regarding the importance of a qualified, diverse, supported and equitably compensated workforce.



## What Can You Do?

- Learn more at the [Compensation Reform](#) tab at our website.
- If you are a parent, understand how your children's teachers are getting compensated.
- Share your stories! Talk to your friends and family about the importance of better pay to ensure a skilled and stable early educator workforce.
- Connect with your legislators about the importance of investing in the early childhood workforce.

**Minnesota needs qualified, diverse, supported and fairly compensated early childhood educators.**

For more information, visit: [ecworkforcemn.org](http://ecworkforcemn.org)