

UNDERSTANDING CHILDCARE: THE WORKFORCE BEHIND THE WORKFORCE

2023 Mississippi Child Care Teachers' Wages Survey Key Findings

Mississippi workers rely on accessible, affordable child care. Child care accessibility and affordability depend on an adequate child care workforce.

A child care crisis in the United States is impacting the ability of workers to seek and maintain employment.¹ Nationally, 32% of working parents with young children lacked access to accessible, affordable child care, and the gap was even wider (35%) in rural areas. Nationally, families spent between 5.1% and 12.9% of their household incomes on child care. The U.S. Department of Health and Human Services determined that child care is unaffordable if it exceeds 7% of a household's income.²



Current child care workforce conditions decrease access to child care.

The current low wages of Mississippi child care teachers create an unstable child care workforce. When comparing the wages of child care workers in Mississippi with those of surrounding states, Mississippi ranked last. Ninety-eight percent of all other occupations pay higher wages than child care. Child care educators are less likely to have health insurance, have higher student debt than the national average, and experience high levels of food insecurity.³

In February of this year, the Center for American Progress reported that the child care workforce lost 90,000 workers from February 2020 to July 2022. This exodus from child care was exacerbated by the pandemic, but poverty wages and difficult working conditions for child care teachers have been longstanding problems. A market failure is occurring as child care owners are unable to pay wages high enough to retain an adequate child care workforce, and it is not possible for parents to pay the amount truly required to provide high-quality care for young children.⁴



Lower access to childcare decreases labor market participation, which costs Mississippi businesses, the state, and working parents money.

A 2019 U.S. Chamber of Commerce Foundation survey reported that Mississippi loses an estimated \$120 million annually in tax revenue due to child care issues affecting the workforce.⁵ In a 2023 report by ReadyNation 25% of parents had to quit their job or were fired because of childcare issues.⁶ And more than half of parents in the US reported missing work due to childcare issues. Parent employees aren't the only ones who lose out... employers face a big cost.⁵ The estimated direct employer cost due to absenteeism and turnover due to childcare issues is estimated to be \$557 million.⁷

With 26% of young children (ages birth to five years) in poverty, Mississippi workers and employers have much to gain from access to high-quality, affordable child care. In the short term, parents can maintain and seek employment and educational opportunities, keeping the Mississippi economy robust. In the long term, employers benefit from a better prepared workforce. The state of Mississippi and its taxpayers also benefit from savings in remedial and special education, as well as overall better health and occupational outcomes for residents.

**The first step in
solving this problem is
to understand the
existing child care
workforce.**

Currently, the number and characteristics of Mississippi child care workers are unknown. However, the MS Dept. of Human Services and the MS State Dept. of Health are implementing a new online system for capturing information about the child care workforce.

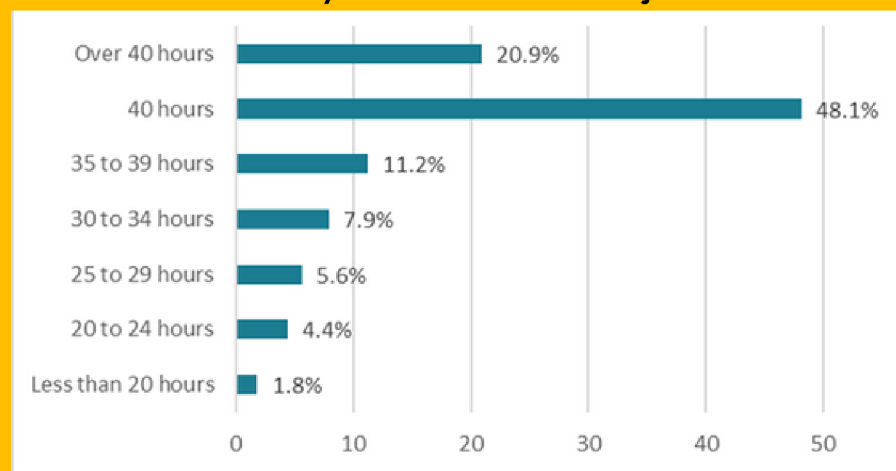
To fill in current gaps in knowledge and provide information for child care policy discussions, the Qualtrics-based 2023 Mississippi Child Care Teacher Wages Survey was administered between July 18, 2023 and August 9, 2023. The survey yielded 661 fully completed responses from Mississippi early childhood teachers. The topics covered in the survey included demographics, wages and benefits, working conditions, workforce stability, reliance on assistance programs, and much more. This brief examines highlights of those survey research findings.

KEY FINDINGS OF THE 2023 MISSISSIPPI CHILD CARE TEACHERS' WAGES SURVEY

Responding child care teachers are overworked and underprepared.

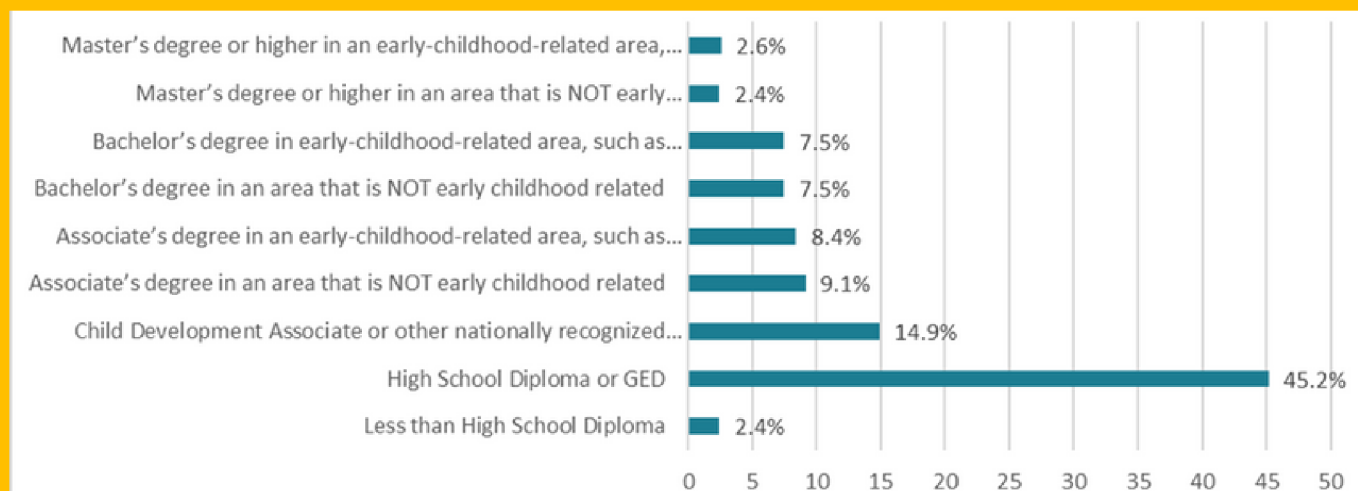
- Child care teachers responding to this survey were most commonly female and working in a center-based facility.
- Almost half (47%) worked with children who have mental, physical, or other disability or delays.
- Respondents worked primarily for center-based facilities (71%), though church-based, home/family-based, and publicly funded (i.e., Head Start, public-school-based, state-funded) facilities were represented as well.

About how many hours per week do you usually work at your current child care job?



Just under 70% of survey respondents reported working 40 hours or more per week.

What is your highest completed level of training/education?

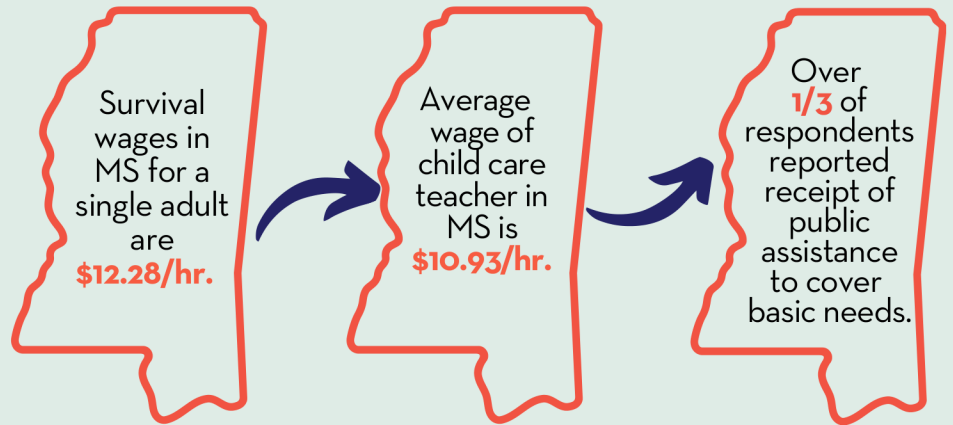
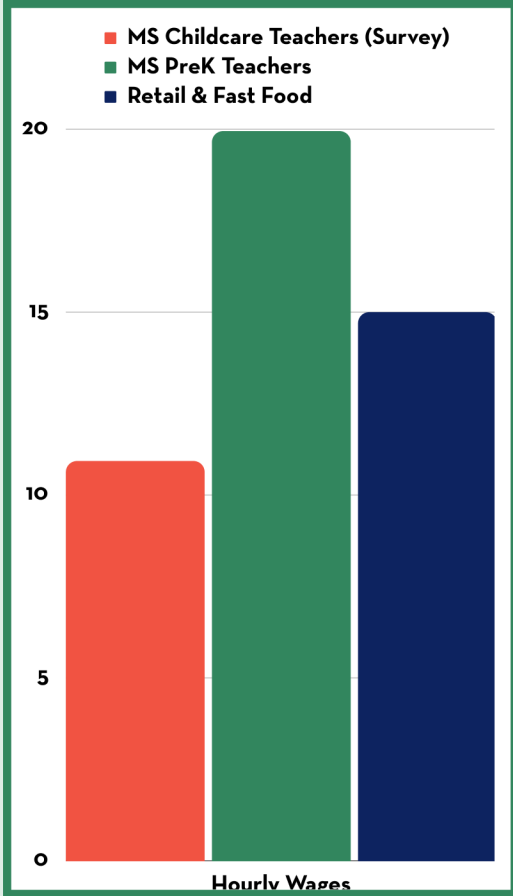


Close to half (48%) of survey respondents did not have training beyond high school.

Current child care teacher pay in Mississippi is below “survival wages.”

Child care teachers reported an average hourly wage of **\$10.93**, but earnings varied by several factors including job title, geographic location, education/credentials, and child care setting such as home/family-based vs center- or public-based.

Comparatively, **pre-k teachers working for the Mississippi Department of Education start at \$19.95/hr with zero years of experience** and receive state benefits, though a bachelor’s degree is required. **Many retail and fast food jobs requiring only a high school degree pay \$15.00/hr or more.**⁵

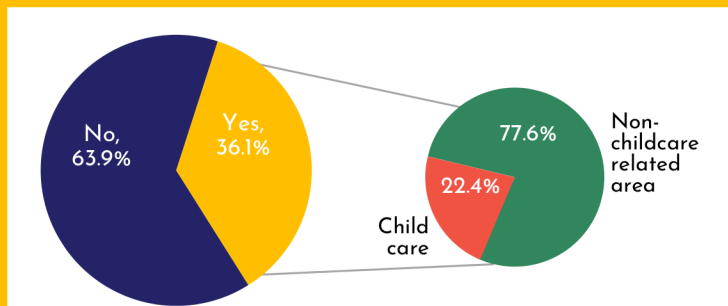


The Mississippi child care workforce is not stable.



Over one-third (36%) of respondents stated they had looked for a new job within the last three months.

In the past three months, have you looked for a new job? If yes, was it a job in child care or an area that is NOT child care related?



\$5

A cumulative **57%** of respondents answered that they would consider leaving their current job for a non-child-care-related job for an additional **\$5.00/hr.**

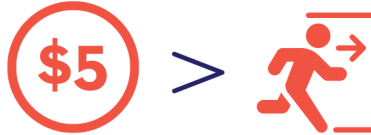


Higher wages and benefits are needed to stabilize the Mississippi child care workforce, incentivize educational advancement, and retain teachers.

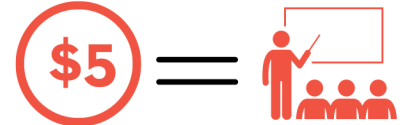
Without adequate wages to retain qualified staff, child care teachers may continue to seek alternate, less stressful jobs that pay more.



Respondents stated that the most important benefits to receive are **health insurance, paid time off, paid sick leave, and retirement.**

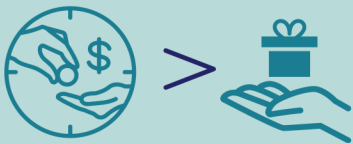


An **additional \$5.00/hr** could **prevent 57%** of respondents from considering a job change.

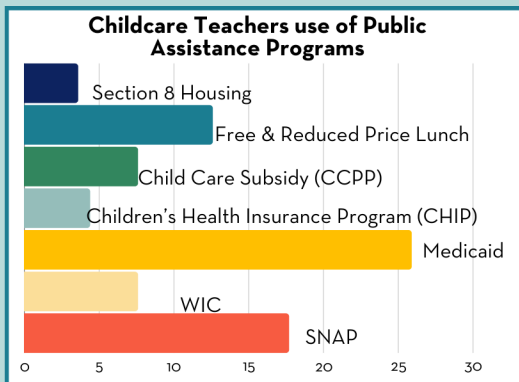


An **additional \$5.00/hr.** would **incentivize 45%** of survey respondents to get additional training.

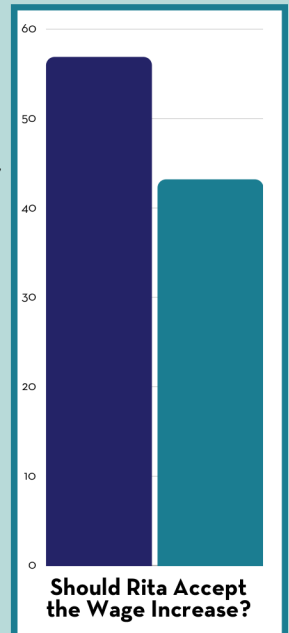
NOTE: Respondents demonstrate a preference for wage increases over use of public assistance or bonuses.



When asked what household assistance they receive, slightly more than a quarter of teachers chose Medicaid, closely followed by SNAP and the Free and Reduced Lunch program. The results show that **at least 36% of all survey respondents receive one type of assistance program or more.** Hypothetically, if a respondent received all three of these major programs, they would need a monthly amount of \$1,380 (\$7.96/hr) to replace all assistance funding with employment income.



It has been hypothesized that childcare teachers would not accept an increase in wages if they lost access to public assistance programs. So, to test this hypothesis, participants were presented with a scenario where a wage increase caused a loss of benefits from assistance programs. In the scenario provided, Rita worked in child care. She was offered an hourly wage increase of \$5.00 per hour, which would give her \$867 more per month. However, Rita learned that accepting this pay increase would cause her to lose eligibility for several assistance programs totaling \$1,000 per month. **57% percent of respondents stated Rita should accept the wage increase even if it meant a slight reduction in monthly income.**



SOURCES:

1. *Bipartisan Policy Center. (2021, October 6). Child care in rural America what have we learned?*
2. *USA Facts. (2022). How much are families spending on childcare?*
3. *Center for the Study of Child Care Employment. (2020). Early childhood workforce index 2020: the early childhood educator workforce.*
4. *Center for American Progress. (2022, September 2). The child care sector will continue to struggle hiring staff unless it creates good jobs.*
5. *U.S. Chamber of Commerce. (2020). Untapped potential: How childcare impacts Mississippi's state economy.*
6. *The Council for a Strong America (2023) \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis.*
7. *The Annie E. Casey Foundation, KIDS COUNT Data Center. (2022). Children in poverty by age group in Mississippi.*
8. *The Heckman Equation Project. (2012). Invest in early childhood development: reduce deficits, strengthen the economy.*



Read the Full report at www.msforumforthefuture.org

This report was created for the Forum for the Future (FFtF) by the Social Science Research Center and the Graduate Center for the Study of Early Learning with the assistance of the FFtF Wages Working Group and the Mississippi Early Learning Alliance. The study was made possible through the support of the W.K. Kellogg Foundation. Additional support was provided by MSU's Division of Agriculture, Forestry, and Veterinary Medicine.

