

# Quality, Compensation, and Affordability

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## *A position statement of the* National Association for the Education of Young Children

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Adopted 1987; revised 1995

Since its founding in 1926, NAEYC has worked to improve the quality of early childhood programs for young children and their families. In recent years these efforts have included the adoption of the following: criteria for high-quality early childhood programs and implementation of an accreditation system to recognize programs that meet these standards of excellence (NAEYC 1991), guidelines for developmentally appropriate practice (Bredekamp 1987), guidelines for appropriate curriculum and assessment (NAEYC & NAECS/SDE 1991), compensation guidelines for early childhood professionals (NAEYC 1993), and guidelines for professional preparation and certification (NAEYC 1985, 1991, 1993, 1995; ATE, DEC/CEC, & NAEYC 1994; Willer 1994).

In 1987 NAEYC adopted a position statement on quality, compensation, and affordability in early childhood programs. This position statement emphasized that the provision of high-quality early childhood programs depends upon three basic needs being met: high-quality programming for children, equitable compensation for staff, and affordable services for families or other consumers. NAEYC's revised position statement reaffirms the importance of each of these three components—quality, compensation, and affordability. Since the statement's initial adoption in 1987, considerable literature has accumulated on the topic, but insufficient progress has been made in ensuring that all families with young children have access to high-quality programs with well-qualified, competent, and equitably compensated staff and at an affordable price.

For the purposes of this position statement, early childhood programs are defined as any part- or full-day group programs in centers, homes, or schools that are purposefully designed to promote children's development and learning in the areas of intellectual, social, emotional, language and communication, and physical development. This definition includes kindergarten and the primary grades as well as the wide array of programs in centers, family child care homes, and schools providing care to children prior to public school entry and before and after the school day. Programs outside of K-12 public education have the greatest

difficulty in meeting the criteria of good quality, equitable compensation, and affordable access. Unlike K-12 education—a publicly financed system with a relatively stable funding base—most early childhood care and education services operate in a very price-sensitive market financed primarily by fees from families and supplemented by public and private contributions. Many families cannot pay the full cost of quality care, and the ongoing commitment from public and private contributions is seldom guaranteed.

Recent studies of licensed, full-day child care centers and family-based child care (provided by nonrelatives and relatives in the provider's home) suggest that quality is minimally acceptable in most cases and, in many situations, may place the health and safety of young children, especially infants, at risk (Galinsky et al. 1994; Helburn 1995). Poor-quality settings for infants and toddlers are especially troubling because of their potentially lasting negative impact on children (Carnegie Corporation of New York 1994). While good child care promotes children's development and learning, poor-quality child care places children at risk. The quality of child care is directly related to children's social development and cognitive development, with better-quality care associated with better outcomes regardless of child background (Ruopp et al. 1979; Vandell & Powers 1983; Goelman & Pence 1987; Phillips, McCartney, & Scarr 1987; Whitebook, Howes, & Phillips 1989; Hayes, Palmer, & Zaslow 1990; Bryant, Peisner-Feinberg, & Clifford 1993; Galinsky et al. 1994; Helburn 1995).

Compensation is also inadequate in most early childhood programs. In centers the average annual wage of each teacher (lead teacher, not assistant teacher) is \$5,000 less per year than the average wage for any other role with comparable educational qualifications (Helburn 1995). In 1990 teachers in centers earned on the average approximately \$11,500 per year (Willer et al. 1991). Recent research suggests that salaries have not risen appreciably since that time (Whitebook, Phillips, & Howes 1993; Helburn 1995). Family child care providers earn roughly \$10,000 per year, on the average, before expenses (Willer et al. 1991).

Not surprisingly, given the low salaries, staff turnover is high in early childhood programs outside the public schools—38% in 1993 (Cost and Quality Team 1995), a factor associated with poorer-quality programs and poorer child outcomes in language and social skills (Whitebook, Howes, & Phillips 1989).

Affordability is also an issue, especially for working families who need full-day services for their children. More than half (56%) of the women with children younger than age 5 say that “finding affordable child care” is a serious problem, according to a recent report by the U.S. Department of Labor Women’s Bureau (1994). Striking differences exist in the child care costs as a proportion of family income. Families with incomes less than \$15,000 who pay for child care spend 25% or more of their income on their children, compared to just 6% by families whose income exceeds \$50,000 (Willer et al. 1991). Lack of affordable child care is a serious barrier to employment or education (Siegel & Loman 1991; Bloom et al. 1993; U.S. General Accounting Office 1994), especially for single mothers.

The U.S. General Accounting Office (1994) estimates that increasing the availability of child care subsidies would increase low-income mothers’ work participation rates from 29% to 44% and near-low-income mothers’ rates from 43% to 57%.

Clearly, the problems of inadequate quality, inadequate compensation, and lack of affordable access continue to be major issues in the provision of early childhood services. NAEYC remains committed to taking the needed steps—individually and in concert with many others—to ensuring good quality, equitable compensation, and affordable access in early childhood programs.

### ***NAEYC’s position***

The ability of many early childhood programs to provide high-quality services is in jeopardy because they lack sufficient resources to fully cover the costs of quality. As a result, the development and well-being of millions of children may be at risk. The National Association for the Education of Young Children believes that good quality for all children, equitable compensation for all staff, and affordable access for all families are essential elements for the provision of early childhood services in this country. NAEYC believes the following:

#### **Quality**

All children have the right to attend good programs that promote their development and learning. High-quality care and education programs have been documented to promote

children’s development and learning, whereas poor-quality programs may place children’s development, even their health and safety, at risk. Given adequate support, high-quality programs can be provided in all types of early childhood settings—in centers, homes, and schools—and operated under various auspices—public, private nonprofit, and private for-profit. The current mix of service delivery, offering parents a choice of program type, should be continued. [Note: For a further delineation of quality guidelines, see *Accreditation Criteria and Procedures of the National Academy of Early Childhood Programs* (NAEYC 1991).]

#### **Compensation**

All early childhood programs should provide staff equitable salaries and benefits commensurate with their qualifications and job responsibilities. Compensation packages (salaries and benefits) should be sufficient to recruit and retain qualified, competent staff. Compensation is especially important to program quality because the aspects that most influence a program’s ability to provide high-quality services revolve around characteristics of the staff—the number of staff relative to the number of children and qualifications, ability, dispositions, and stability of staff. Ensuring a sufficient number of well-prepared, competent, and adequately compensated staff greatly increases the probability of a high-quality program for children. [Note: For a further description of recommendations for compensation, see *Compensation Guidelines for Early Childhood Professionals* (NAEYC 1993).]

#### **Affordability**

High-quality early childhood programs should be available to all families who want or need their service at a price that each family can afford. Affordable early childhood programs promote families’ self-sufficiency and help families better provide for the well-being of their children. The goal must be to ensure high-quality programs and affordable access without relying on the hidden subsidy of an early childhood staff inadequately compensated.

The fact that low-income families who pay for care spend 25% or more of their income for child care, while middle- to upper-income families pay 6% to 8% of their income for child care (Willer et al. 1991; Casper, Hawkins, & O’Connell 1994), reflects the serious inequities that currently exist. These inequities must be addressed, with additional resources targeted toward providing assistance to low-income families. Because current measures of what families are spending relative to their income reflect prices that typically do not allow programs to recruit, retain, or equitably com-

pensate staff, simply addressing the current inequities is insufficient to ensure that all families have affordable access to good programs. Additional resources—public as well as private—should be used to expand the availability of scholarships, tuition aid, and sliding-fee scales, and such mechanisms should be widely available to help any family requiring assistance to pay the costs of a high-quality early childhood program.

More research is needed on the issue of affordability. Accurate calculations of affordability must reflect the full cost of quality, including equitable compensation. Neither affordability nor quality, including adequate compensation, can be sacrificed if the needs of the nation's children and families are to be met.

### ***The goal: Achieving good quality, equitable compensation, and affordable access***

The benefits of good-quality early childhood programs will only be achieved when investments in early childhood care and education services are based on the full cost of providing high-quality services that take into account equitable compensation of sufficient numbers of well-qualified and competent staff while also ensuring affordable access to good programs.

A number of steps must be taken to reach this goal, including a systematic review and immediate improvement of any policies or practices that exert pressure to keep costs unreasonably low. Such policies include permitting large numbers of children to be cared for by one adult, requiring minimal or no professional preparation, restricting public payments for service to rates that fail to reflect actual costs of good service provision, exempting certain types of providers from regulation, and failing to adequately enforce existing regulatory requirements. In addition, parents and the public need a clearer understanding of the importance of children's early years in shaping all later development and learning and the influence of the quality of early childhood settings on children's development. Programs should be held to higher standards of quality through public regulations that safeguard children's healthy development and through voluntary accreditation that encourages programs to strive for excellence. A large-scale investment is needed to ensure a more-qualified, stable early childhood workforce. This step should include initiatives that support individuals' access to continued professional development that enhances their competence and is linked to increased compensation. Finally, ensuring that all early childhood programs provide good quality to young children, equitable compensation to all staff, and affordable access to all families will require systemic

reform of the current financing of early childhood programs within this nation.

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NAEYC believes that all of society—children, families, employers, communities, and the nation as a whole—benefits from the provision of high-quality early childhood services. Currently, early childhood program costs are disproportionately borne by staff who forego good wages to work with young children and by children who ultimately pay the price of poor quality. It is time that all sectors of society contribute their fair share of the costs of this essential public service.

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