
EPI Issue Brief

Issue Brief #216-E

Economic Policy Institute

September 15, 2005

LOSING GROUND IN NEW YORK EARLY CHILDHOOD EDUCATION Declining Workforce Qualifications in an Expanding Industry, 1980-2004

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Introduction

“Parents can’t afford to pay, teachers can’t afford to stay, there’s got to be a better way” goes the lament of professionals in the field of early childhood education (ECE). This report shows that the New York ECE industry has indeed struggled to attract and hold onto a qualified workforce since the 1980s.

The qualifications of early childhood educators matter because, first, high-quality ECE improves long-term academic outcomes for children and delivers benefits to the community that far outweigh the costs;¹ and, second, high-quality ECE programs require educated and experienced teachers (Bowman, Donovan, and Burns 2000).

This issue brief relies on new data that track the center-based portion of ECE outside public schools for 25 years (see **Note on the Data**). For home-based early childhood education, consistent data are available only for 2000-04.

Main findings

A much lower share of center-based early childhood educators has a four-year college degree today than in the early 1980s. In center-based ECE programs, the share of New York early childhood educators (teachers, directors, assistant teachers, and teacher aides) with a four-year college degree fell from 42% in 1980 to 23% in 2000 and similar levels in the 2000-04 period.

NOTE ON THE DATA

The data analyzed in this issue brief come from the 1983-2004 Current Population Survey (CPS), a monthly survey of 60,000 U.S. households, and the 1980, 1990, and 2000 decennial U.S. Census. While our national companion study, *Losing Ground in Early Childhood Education*, relies exclusively on the CPS, state-level reports rely more on the Census because the Census contains more data for each state. The center-based industry on which we focus excludes school-based pre-kindergarten programs and is over 90% in the private sector. It includes for-profit and not-for-profit child care centers, head start programs, and stand-alone preschools and nursery schools. This report looks at trends for two different groups of center-based staff. “Early childhood educators” includes all occupations with primary responsibility for children, such as center directors (also called administrators), teachers, assistant teachers, and teacher aides. The second group includes just teachers plus administrators. (This report pools all early childhood educators to increase sample size and combine teachers with administrators for the same reason.)

A higher share of center-based educators has a high school degree or less. The share of New York center-based early childhood educators with a high school education or less climbed from 32% in 1980 to 35% in 1990 to 44% or above in 2000 and in the 2000-04 period.

ECE education levels fell in most NY metropolitan areas. The share of center-based early childhood educators with a college degree declined in five of six New York state metropolitan areas between 1990 and 2000, with the largest falls in New York City and Nassau.

Education levels lower still in home-based early childhood education. In New York home-based ECE, in the year 2000 only 10% of the workforce had a college degree or more and 61% had a high school degree or less.

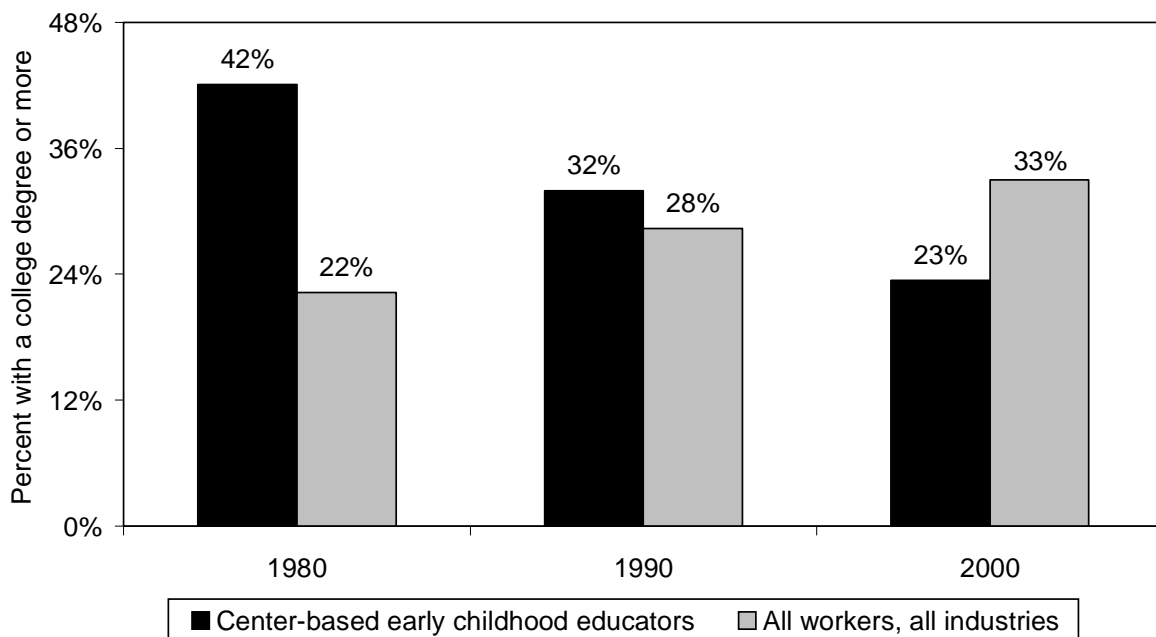
Low wages and benefits help explain ECE education levels. The fall in the education levels of center-based early childhood educators stems partly from median pay that remains about \$9.50 per hour—some \$20,000 per year for a full-time worker—and a lack of health care and pension benefits.

The story that emerges from the data is that the position of ECE in the New York labor market has changed for the worse since the late 1980s. As the field has expanded from less than 20,000 workers in 1980 to more than 60,000 today, female college graduates have enjoyed expanding career opportunities in other fields and, in some families, greater economic need (over 95% of the ECE workforce is female). As a result, center directors often find that they must hire individuals with low education levels and no specialized training in early childhood development.

The data examined here indicate that the expansion of universal pre-kindergarten, some of it delivered in community-based programs (and thus reflected in the data sets), has not stemmed the decline in the qualifica-

FIGURE A

The decline in college degree attainment of New York center-based ECE workers, 1980-2000



Note: The differences between the share of center-based early childhood educators in 2000 and the same shares in 1980 and 1990 are significant at the 1% level.

Source: KRC analysis of Census data.

tions of private, center-based early childhood educators, although it has expanded ECE programs with higher educational standards in public schools.

New York and the nation need a comprehensive approach to preparing early childhood educators who can help children succeed. This approach must establish high standards for all early childhood educators, but must also increase compensation to attract and retain teachers who can meet such standards.

This briefing paper is a companion to a national monograph and booklet available on the Web sites of the Economic Policy Institute (www.epi.org), the Foundation for Child Development (www.fcd-us.org), and the Keystone Research Center (www.keystoneresearch.org).

Educational levels in center-based ECE down since the 1980s

In New York and the United States overall, the educational attainment of center-based early childhood educators has declined since the 1980s.

- According to the Census, the share of these New York educators with a four-year college degree fell from 42% in 1980 to 32% in 1990, and to 23% in 2000 (**Figure A**).² This compares with a national decline from

25% to 17% in the same period. (Figure A and other analysis for New York using the CPS in this briefing paper rely on five-year moving averages to increase sample size and the reliability of our estimates.)

- The share of center-based early childhood educators with a high school education or less rose from 32% in 1980 to 35% in 1990, and up to 44% in 2000.³
- There has been little change in the share of early childhood educators with an associate's degree in recent years—from 11% in 1990 to 10% in 2000 (and 14% in the 1999-2004 period, according to the CPS).

The educational attainment of the center-based workforce has dropped even more relative to the education of the workforce as a whole (Figure A).

- In 1980, the share of center-based early childhood educators with a bachelor's degree was 20 percentage points higher than the same share among workers in all industries. In 2000, the share of the workforce with a college degree was 10 percentage points lower in ECE than in all industries.

Both the Census and the CPS show New York center-based ECE to have higher education levels than the nation throughout the last quarter century, yet it experienced a larger decline than the United States in educational attainment since the early 1980s and again in the late 1990s.

College degree attainment also low among center-based teachers and administrators

Narrowing the focus from all center-based early childhood educators to just teachers and administrators educational attainment, the trends are similar:

- According to the Census, the share of center-based ECE teachers and administrators with a four year college degree in New York fell from 60% in 1980 to 50% in both 1990 and 2000 (**Figure B**).⁴
- Based on the 2000 Census, New York still had a share of center-based teachers and administrators with a college degree that was much higher than the nation's 30%.

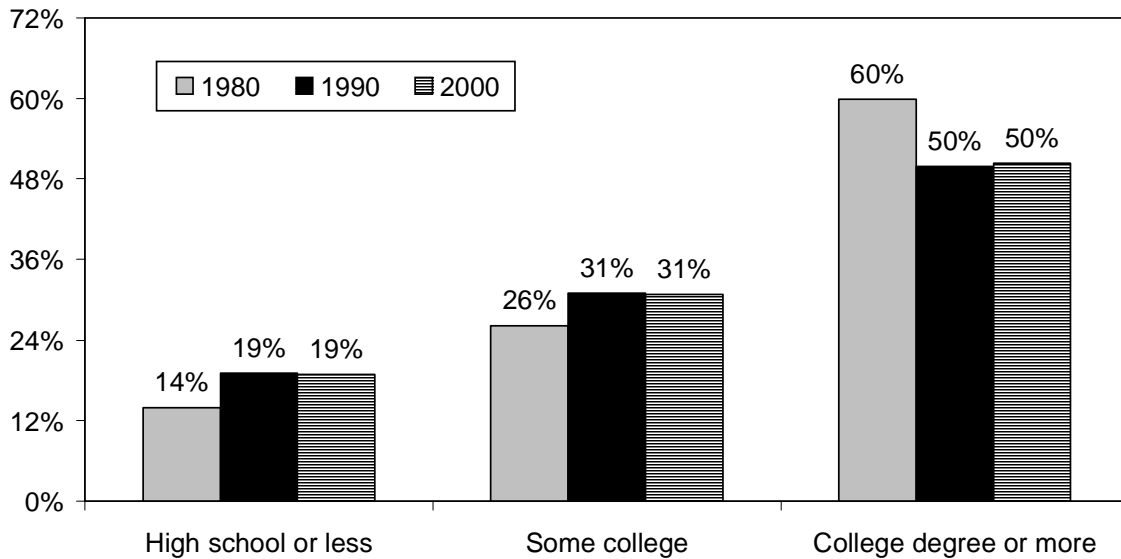
At the lower end of the education spectrum, the share of New York teachers and administrators with a high school education and less increased from 14% in 1980 to 19% in 2000.⁵ (The CPS shows an increase from 16% in 1983-87 to 22%-26% in every five-year period beginning in 1985 or later.)

Center-based education levels since the expansion of universal pre-kindergarten

In New York, one recent development in ECE has been the expansion of universal pre-kindergarten (UPK) from serving no children in 1997-98 to serving 54,000 to 60,000 children in 2001-02 to 2003-04 (Mitchell 2004). Together with the older and much smaller experimental pre-kindergarten program, universal pre-kindergarten now

FIGURE B

The decline in educational attainment of center-based ECE teachers and administrators with a college degree



Note: The differences between 1980 and 2000 in the share of teachers and administrators with a college degree or more, some college and a high school degree or less are significant at the 1%, 5%, and 10% level, respectively. None of the changes in educational attainment between 1990 and 2000 are statistically significant.

Source: KRC analysis of Census data.

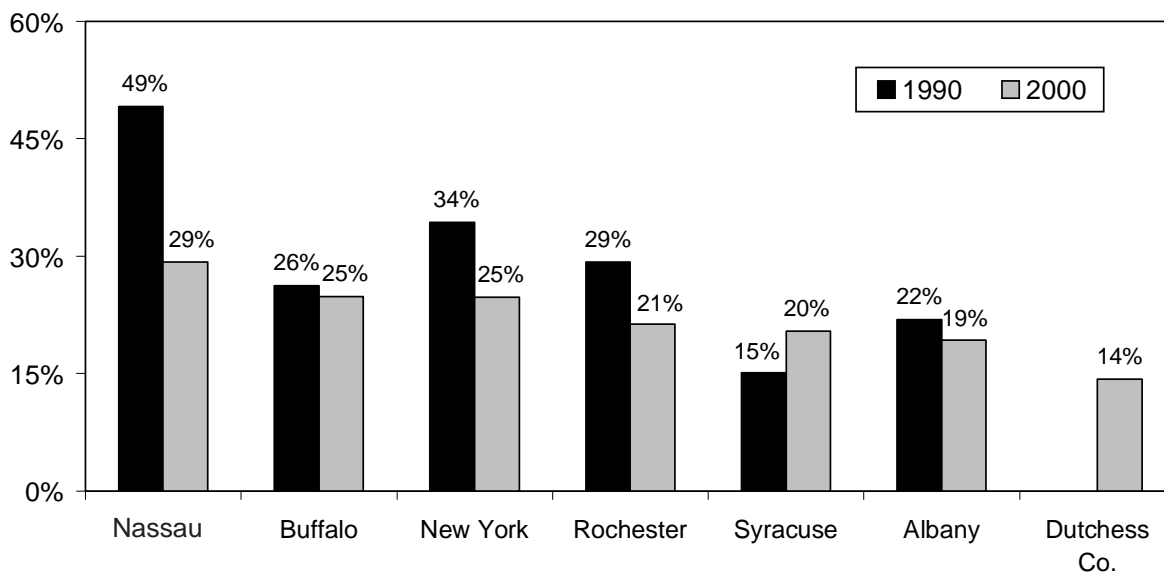
serves about 30% of the four-year-olds in New York state. About half of UPK classes are delivered by programs that would fall in the center-based sample. Until the 2004-05 school year, teachers in center-based UPK programs outside schools had only to meet the staff qualification requirements of the licensing or regulating agency that governs them (i.e., the same low requirements as other centers or Head Start programs). Nonetheless, 81% of teachers in UPK were certified in 2002-03. This indicates that even before implementation of new requirements that teachers be properly certified, center-based UPK programs had more educated staff than other centers.

The expansion of pre-kindergarten through a mix of school-based and center-based programs could have two contradictory impacts on center-based education levels. Expanding better paying school-based UPK could drain educated teachers out of center-based programs. On the other hand, center-based pre-kindergarten included in the UPK program that provides higher reimbursement than traditional early childhood programs could find it easier to attract and retain qualified center-based staff.

The CPS—which must be interpreted cautiously because of large annual fluctuations in employment levels⁶—provides possible evidence of a draining effect from UPK. Consistent with this possibility, there has been an erosion in center-based teacher and administrator education levels since the expansion of UPK (e.g., a nine percentage-point drop in college degree share from 1994-98 to 2000-03 and a four percentage-point rise in the high school and less share). During this period, over 2,000 additional certified teachers were needed in the schools to teach UPK.⁷

FIGURE C

The decline in the share of center-based early childhood educators with a college degree in New York metropolitan areas, 1990-2000



Note: The change between 1990 and 2000 in the percentage of center-based educators with a college degree is significant at the 1% level in Nassau-Suffolk and New York City. The differences over time in Buffalo, Rochester, Syracuse, Albany, and Dutchess Co. are not significant. Buffalo includes Buffalo and Niagra Falls; Albany includes Albany, Schenectady, and Troy; Nassau includes Nassau and Suffolk.

Source: KRC analysis of Census data.

CPS data do not provide evidence of a compensating benefit from UPK holding qualified teachers in center-based programs. Indeed, the total number of college degree teachers and administrators in center-based ECE has fallen since 1995-99, even while total center-based employment has increased.⁸

On the ground in New York ECE there is not a widespread perception that center-based ECE has experienced more difficulty recruiting and retaining staff in the last several years. Perceptions in the industry, however, may be heavily shaped by the experiences of the qualified staff and high-quality programs that have become part of the UPK delivery system. A larger, lower-quality and less-visible part of center-based ECE may be experiencing a different reality more consistent with the CPS data.

Whether or not additional information corroborates these CPS-based findings, this discussion underscores an important analytical point: there are limits to the progress possible from improvements in quality and workforce standards in one part of ECE (such as UPK) without complementary policies to address industry-wide compensation and workforce challenges.

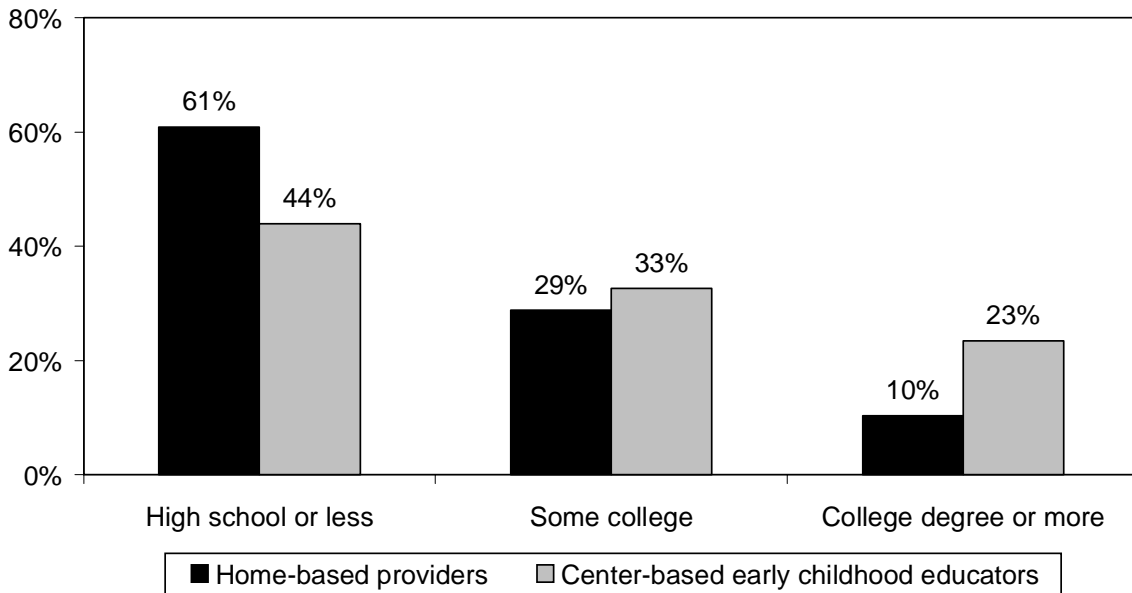
Education levels falling in New York metropolitan areas

Turning to metropolitan data available from the Census, the most notable findings include:

- In the year 2000 in every one of the seven New York metropolitan areas for which data exist, less than a third of center-based early childhood educators had a college degree (**Figure C**).

FIGURE D

Education levels lower in New York home-based ECE than in center-based, 2000-04



Note: The differences between the share of center-based early childhood educators and home-based providers at each level of education are significant at the 1% level.

Source: KRC analysis of the Census.

- In all but Nassau County, a quarter or less of center-based educators had a college degree in 2000.
- Out of the six areas for which data exist in both 1990 and 2000, Nassau County and New York City experienced the largest drop in college-degree share of center-based early childhood educators.

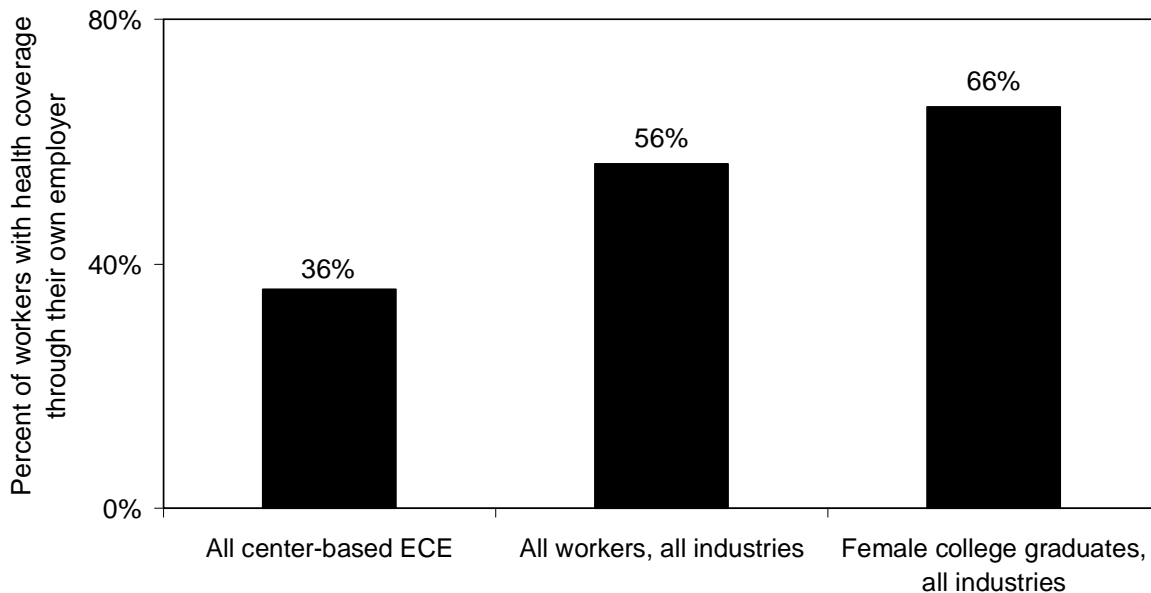
Education levels much lower in home-based early childhood education

Education levels are much lower in home-based ECE in New York than center-based (**Figure D**). (Since Figure D relies on Census data for 2000, the numbers for center-based ECE differ, but only slightly, from those displayed in Figure A based on CPS data. Census data show home-based ECE to employ 39,000 workers in 2000.⁹)

- Only 10% of New York home-based ECE workers have a college degree or more, compared to 23% for center-based.
- Sixty-one percent of center-based ECE workers have a high school degree or less, compared to 44% for center-based.

FIGURE E

Smaller share of New York's ECE workers receive health coverage through their own employer than other workers, 2000-04



Note: The differences in the share of center-based educators and staff with health coverage through their own employer and the same share of all workers and female college graduates is significant at the 1% level.

Source: KRC analysis of March CPS.

Low wages and benefits help explain educational attainment in ECE

Since the mid-1980s, the wages and benefits of New York early childhood educators outside public schools have remained stuck relative to those of other workers.

Wages

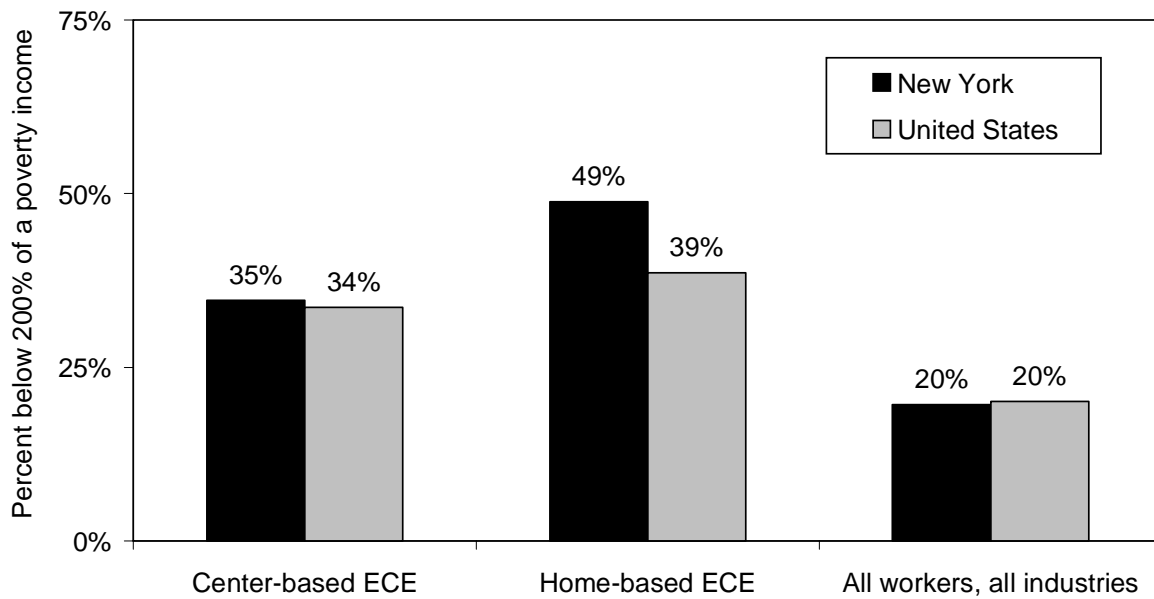
- Center-based early childhood educators have consistently earned roughly 64% of the wages of all New York workers. In the 2000-04 period, early childhood educators earned only \$9.45, compared to \$14.50 for all New York workers.
- Even early childhood teachers and administrators earned a median wage of only \$12.53 in 2000-04, just 60% of the \$21.05 median wage of all female college graduates

Health and pension benefits

- Over a third of New York center-based early childhood educators obtains health insurance through their job compared to 56% of all workers and two-thirds of female college graduates (**Figure E**).
- Up to 13% of center-based early childhood educators had no health insurance coverage versus 9% of female college graduates.

FIGURE F

A large share of New York's ECE workforce lives below 200% of a poverty income, 2000



Note: The differences between the share of all workers living below 200% of the poverty threshold and the shares of center-based ECE and home-based ECE living below the threshold is significant at the 1% level.

Source: KRC analysis of Census data.

- Only 22% of New York center-based early childhood educators participate in any kind of pension plan at work, versus 47% for all workers and 59% for female college graduates.

Share of workers below a basic necessity income

- In 2000, 35% of New York center-based early childhood educators were living below 200% of the poverty threshold compared to 20% of all New York workers (**Figure F**). Two hundred percent of the poverty line is considered roughly equivalent to a minimally adequate basic income high enough to cover the cost of basic necessities without public assistance.
- For all workers employed in home-based ECE, the share living below 200% of the poverty threshold is 49% (Figure F).
- Twenty-two percent of ECE teachers and administrators in New York live below 200% of the poverty threshold compared to 8% of female college graduates generally.

New policies needed

The data reviewed here reveal a transformation in the New York ECE workforce from one that was well-educated, especially in relative terms, to one that is not. Without public policy intervention, this situation could grow worse because the most educated cohort in center-based ECE is in its late 50s and likely to retire within a decade.¹⁰

In New York, recent data also emphasize the need to complement universal pre-kindergarten—staffed by educators with higher qualifications than the current center-based industry—with policies that maintain and improve standards in the rest of center-based and home-based ECE.

A pragmatic and comprehensive approach to raising staff qualifications should not only mandate a higher standard, but also include phase-in periods and research and evaluation that deepen our understanding of the long-term benefits of different approaches to teacher education and professional development.¹¹

Any approach to improving staff standards in ECE will fail unless it also raises compensation to keep more qualified people in the field. The present reality will persist, with many ECE staff having low education levels, no meaningful training in early childhood development, and no opportunities to learn from experienced and qualified peers. It is well past time to recognize that society can't afford not to pay more for ECE teachers. Only with public investment can the community as a whole reap the long-term benefits of high-quality early childhood education.

Endnotes

1. These benefits include lower costs for subsequent education, increased taxes paid once children mature and enter the workforce, and reduced social costs (Lynch 2004).
2. This report relies on the Census data because of unexplainable employment fluctuations in the CPS in recent years. Nonetheless, the CPS shows very similar trends in the four-year college degree share in center-based ECE over time: i.e., a drop from 42% in 1983-87 period, to 38% in the 1983-95 period, to 30% in 1995-99 to 20% in 2000-04.
3. The CPS shows a rise from 33% in 1983-87, to 36%-39% in every five-year period beginning after 1983 and ending before 2000, to 47% in 2000-04.
4. The CPS shows that the college degree share for New York teachers and administrators fluctuated around an average of 56% throughout 1983-95 and then fell gradually to 41% by 2000-04.
5. This difference is significant at the 5% level.
6. While we smooth out the annual fluctuations with five-year averages, even the five-year averages show an increase in total center-based employment from 40,000 in 1994-98 to 66,000 in 2000-04. The number of observations in all four of the five-year CPS periods beginning with 1997 varies from 1,310 to 1,503, which should be high enough to produce reliable estimates. Changes in occupation and industry codes implemented in 2000 may explain some of the fluctuations in CPS data. However, the increase in employment in this break year (about 4,000) was comparable to the 7,000 increase in the prior two years (during which codes did not change) and much smaller than the increase in 2001 (24,000), when again codes did not change.
7. Mitchell (2004) indicates that about half of UPK children are served in schools, most of them public. With 25,000 children served by a child-teacher ratio of 10:1, this amounts to 2,500 teachers (Mitchell 2004, 39).
8. According to the CPS, the fall in the number of college-degreed teachers in New York center-based ECE was from about 10,000 in 1995-99 to about 7,000 in 2000-04.
9. The CPS figure for 2000-04 is 47,000. Industry experts believe that both the Census and CPS likely undercount home-based employment because they miss some unlicensed and unregulated providers.
10. The sentence in the text is based on national data. Sample sizes at the state level do not permit disaggregating center-based educators finely by age. That said, the trends in New York data over time make it likely that staff in their 50s who have been with the industry since the 1960s and 1970s are more educated than younger staff.
11. See the national companion report for elaboration of this recommendation, available online at www.earlychildhoodworkforce.com.

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