

# How Ready Is Providence?

## AVERAGE WAGES OF CAREGIVERS

October 2008

### Why is it important?

Research consistently finds a strong correlation between staff wages and program quality in early child care settings, yet child care continues to be one of most poorly paid professions in the nation. According to recent analyses by the Center for Child Care Work Force, only 22 of 820 surveyed occupations have an average pay lower than that of child care workers. Included among them are short order cooks, parking lot attendants, and maids.<sup>1</sup>

Coupled with poverty-level wages is the reality that child care professionals typically receive fewer benefits than workers in other professions. Researchers at the Carsey Institute at the University of New Hampshire reported in 2006 that just 21% of center-based child care providers had private health insurance through an employer. An additional 27% had no health insurance. Thirty three percent (33%) of family child care providers had no health insurance.<sup>2</sup>

Despite poor compensation and inadequate benefits, our society is increasingly dependent on the work of early care professionals to care for, nurture, and educate our children. Adequate compensation of child care providers is one factor linked to cognitive, social, and emotional outcomes of children in early childhood care.<sup>3</sup> A growing segment of the professional population in the US is employed in the field of child care – between 1992 and 2005 child care occupations grew by 66%, and the child care workforce is

expected to grow an additional 38% by 2014.<sup>4</sup>

Occupational Employment Statistics from the US Department of Labor Bureau of Labor Statistics (BLS) offer detail into the average wages of child care professionals. However the data are complicated by distinctions made between “child care workers” and “preschool teachers” with unclear definitions for each. As noted by the Center for Child Care Work Force, “these muddled definitions reflect a lack of consensus about terminology within the field itself.”<sup>5</sup> For purposes of this indicator, the categorized data offered by BLS are combined into ranges and displayed in Table 1. As shown, child care professionals earn between 40 and 60 percent less than kindergarten and elementary school teachers.

Inextricably linked to the problem of low wages is the challenge of employee turnover since stability is an important component of quality care for young children. Research has long supported the importance of a stable and secure relationship between young children and their caregivers. Without this, consequences include less adult-child interaction in the setting, aggressive tendencies, and other behavioral problems.<sup>6</sup> Nationally, the turnover rate in center-based settings is estimated between 27% and 39% per year, well above the public school turnover rate of 7%.<sup>7</sup> As wages of child care providers increase, turnover declines.<sup>8</sup>

**Table 1**  
**National Estimates for Occupational Employment Wages, May 2007**

	Child Care Professionals	Kindergarten Teachers	Elementary School Teachers
Mean Annual Wage	\$19,670-\$25,800	\$47,750	\$50,040

Source: US Department of Labor, Bureau of Labor Statistics  
The “Child Care Professional” category includes BLS categories of “child care workers” and “preschool teachers.” Family child care providers are self-employed and are therefore not included in these data. All wages for professions above exclude special education.

This report is an update of an indicator initially addressed in *How Ready Is Providence?*, released by Ready to Learn Providence in 2004.

## What did we report in 2004?

According to data from the RI Department of Labor and Training and Providence Public School Department, reported wages of child care professionals in Providence in 2003, as in the rest of the country, were much lower than public

school teachers. Average annual salaries for area child care workers and preschool teachers were between 50% and 67% lower than that of a Providence kindergarten teacher (\$19,490-\$25,730 compared to \$57,620).<sup>9</sup>

The average annual net income for

family child care providers was estimated at \$20,166 in 2002 based on membership data from the Daycare Justice Co-op, a membership association of family child care providers in Rhode Island.<sup>10</sup>

## What is happening now?

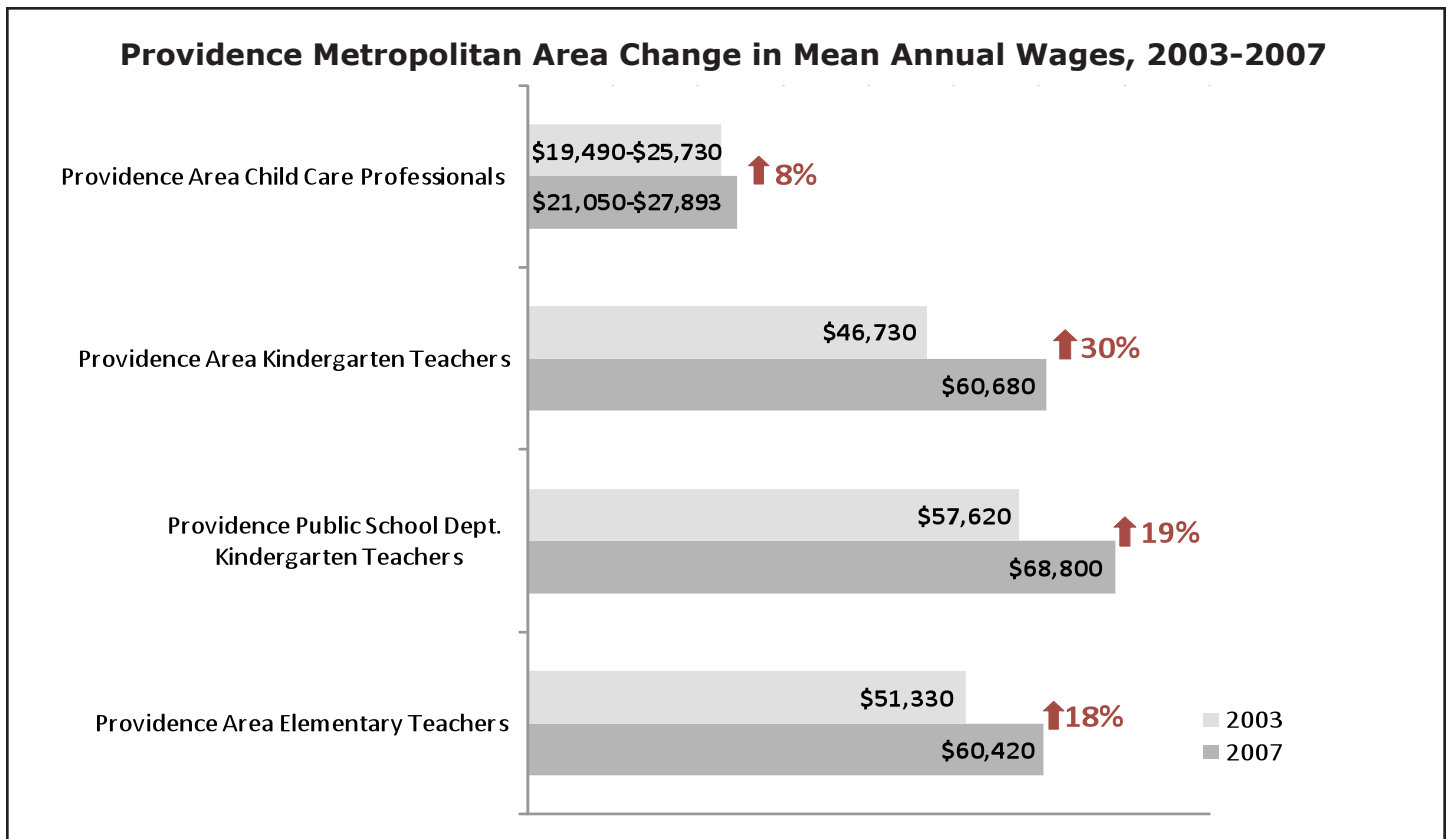
Recently available data for 2007 from the Department of Labor and Training and Providence Public School Department indicate that wages for child care professionals are very similar to national averages (as displayed in Table 1) but local wages for kindergarten and elementary school teachers are substantially higher than national averages.

Additionally, local wages have all increased since 2003. However, the disparity between local child care professionals and public school teachers has also increased significantly during this time. As displayed in Figure 1, between 2003 and 2007, mean wages for employees in the Providence Metropolitan Area increased by 8% for child care profes-

sionals, 30% for kindergarten teachers, and 18% for elementary school teachers. In the Providence Public School District, mean kindergarten teacher wages increased by 19%.

Detailed data for these professions including mean wage, entry wage, median wage and experienced wage are presented in Table 2.

Figure 1



Source: Rhode Island Department of Labor and Training; Providence Public School Department

Table 2

## Providence Metropolitan Area Wage Comparisons for Child Care Professionals, Kindergarten Teachers, and Elementary Teachers<sup>11</sup>

	2003	2007
<b>Child Care Professionals</b>		
Mean Wage	\$19,490-\$25,730	\$21,050-\$27,893
Entry Wage	\$16,120-\$20,176	\$17,742-\$20,904
Median Wage	\$18,678-\$24,898	\$20,238-\$26,187
Experienced Wage	\$21,778-\$30,618	\$23,691-\$32,510
<b>Kindergarten Teachers</b>		
Mean Wage	\$46,730	\$60,680
Entry Wage	\$32,750	\$47,290
Median Wage	\$49,790	\$62,090
Experienced Wage	\$60,230	\$72,930
<b>Providence Public School Department Kindergarten Teachers</b>		
Mean Wage	\$57,620	\$68,800
<b>Elementary School Teachers</b>		
Mean Wage	\$51,330	\$60,420
Entry Wage	\$42,030	\$47,120
Median Wage	\$54,260	\$62,110
Experienced Wage	\$63,190	\$73,330

Source: Rhode Island Department of Labor and Training; Providence Public School Department

### (Endnotes)

<sup>1</sup>Center for the Child Care Workforce. (2006). *Low salaries for staff, high costs to children state-by-state wage data for the early childhood education workforce*. Washington, DC: Author. <sup>2</sup>Smith, K. & Baughman, R. (2007). *Low wages prevalent in direct care and child care workforce*. Durham, NH: Carsey Institute. <sup>3</sup>Barnett, S. W. (2003). *Low wages=low quality: Solving the real preschool teacher crisis*. National Institute for Early Education Research: New Brunswick, NJ. (ERIC Document Reproduction Service No. ED480819). <sup>4</sup>Smith, K. & Baughman, R. (2007). *Low wages prevalent in direct care and child care workforce*. Durham, NH: Carsey Institute. <sup>5</sup>Center for the Child Care Workforce. (2006). *Low salaries for staff, high costs to children state-by-state wage data for the early childhood education workforce*. Washington, DC: Author. <sup>6</sup>Essa, E. (2003). *Introduction to early childhood education*. Florence, KY: Thomson Delmar Learning. <sup>7</sup>Child care turnover rate: Smith, K. & Baughman, R. (2007). *Low wages prevalent in direct care and child care workforce*. Durham, NH: Carsey Institute. Public School turnover rate: Shonkoff, J. P. & Phillips, D. (2004). *From neurons to neighborhoods: The science of early childhood development*. Washington, DC: National Academy Press. <sup>8</sup>Whitebook, M. & Bellm, D. (1999). *Taking on turnover: An action guide for child care center teachers and directors*. Washington, DC: Center for the Child Care Workforce. (ERIC Document Reproduction Service No. ED425833). <sup>9</sup>Wage data for child care workers and preschool teachers obtained from: Rhode Island Department of Labor and Training. (2003). *Occupational Employment Statistics Survey*. Occupational wages for Providence-Fall River-Warwick metropolitan statistical area, 2nd Quarter 2003. Available from [www.dlt.ri.gov](http://www.dlt.ri.gov). [Only the most recent data is available from the Rhode Island Department of Labor and Training website; 2003 data is no longer accessible]. As cited in Ready to Learn Providence. (2004). *How Ready Is Providence?* Providence, RI: Author. Salary data for Providence kindergarten teachers obtained from: Providence Public School Department. (2004). *Teacher Wages*. [Data file]. Average annual salary calculated as the average value of salaries for 84 kindergarten teachers (excluding special education teachers) on the payroll at that time. As cited in Ready to Learn Providence. (2004). *How Ready Is Providence?* Providence, RI: Author. <sup>10</sup>Net income calculated by subtracting expenses from gross income in an analysis of the income and expenses of the members of the Daycare Justice Co-op conducted by Public/Private Ventures between 1999 and 2002. Seavey, D. & Roder, A. (2003). *Investing in low wage workers: Lessons from family child care in Rhode Island*. Philadelphia: Public/Private Ventures. <sup>11</sup>R2LP recategorized pre-school teachers and child care workers as child care professionals. Annual wages for child care workers and pre-school teachers were calculated at 52 weeks per year and 40 hours per week for a total of 2,080 hours per year. Teacher wages are reported by annual salaries (instead of hourly) because of non-standard work weeks; therefore, academic year wages for teachers are considered their annual wages, even though most academic years are less than 52 weeks. Hourly wages for kindergarten and elementary school teachers were calculated at 44 weeks per year and 40 hours per week for a total of 1,760 hours per year.



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