

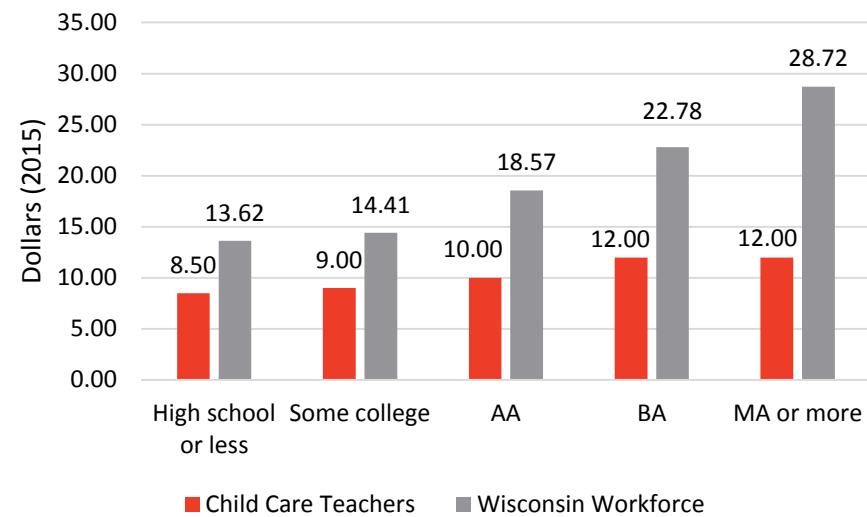
CONCLUSION

The most essential challenge in the child care industry is the tension between the demand for more education within the child care teaching workforce and the very low pay-off for that education. (See the Figure below.) A teacher with an Associate Degree in Early Childhood Education can expect to start at \$10.00 per hour and will rarely make more than \$13.00 – compared to \$18.57 per hour for others in the state workforce who hold an associate degree. The gap for a bachelor’s degree is even larger.

The overwhelming majority of center directors and family providers both report that child care is a harder industry to be in today than three years ago. Center directors point especially to the difficulty attracting and retaining qualified staff. As the economic recovery continues and external job opportunities grow, these challenges are likely to become even more difficult to navigate.

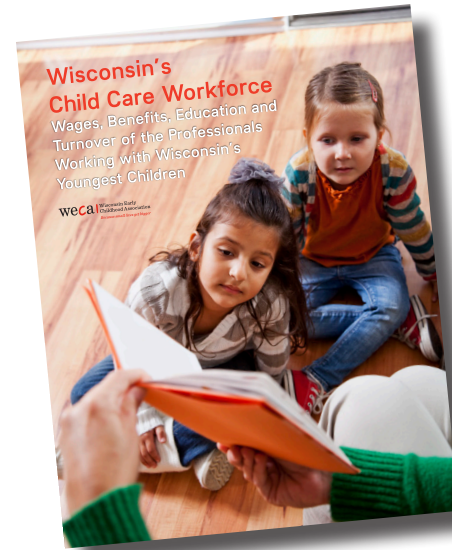
This report makes clear the challenge that confronts directors, providers, and teachers, but also parents and policymakers as well. Child care quality will always be linked to job quality for the child care workforce. The survey shows the evident dedication, strong educational qualifications, and commitment to quality child care of the workforce. It is also clear that YoungStar is helping support quality as well. But equally clear are the serious challenges confronting teachers, providers, and directors. Wages are low, especially given the educational attainment of teachers. Benefits are inadequate. Turnover is too high. Building a strong system of quality child care in the state is possible. But such a system will need to be built on a foundation of substantially improved quality of jobs for the people who provide that care.

MEDIAN WAGES OF CHILD CARE TEACHERS COMPARED TO WISCONSIN WORKFORCE BY EDUCATIONAL ATTAINMENT



Source: COWS-UWSC Child Care Workforce Study 2015. WI workforce data obtained from 2013 ACS. WI workforce encompasses civilian workers, ages 18-64
 *Note: Median wages for child care teachers represent the answers to the survey question, “If you were to hire a new teacher or assistant teacher today, assuming this candidate had at least one year of early childhood education experience, what is the typical starting hourly wage you would pay someone with each of the following educational qualifications?”

EXECUTIVE SUMMARY



Wisconsin's Child Care Workforce focuses on teachers and assistant teachers working at child care centers and self-employed family child care providers throughout the state. It draws on a 2015 survey developed and conducted by the Survey Center at the University of Wisconsin-Madison (UWSC) and COWS, a research center also at UW-Madison. Information about child care teachers and assistant teachers was obtained through a survey of child care center directors. Information about family providers was obtained via a survey sent to these providers. The response rate for both centers and family providers was over 60 percent and the samples are representative geographically and in terms of the quality of child care in Wisconsin. Here, we present the most important findings of this study.

The Wisconsin Child Care Teaching Workforce (Estimated Total Size)

- 22,100 teaching staff
 - » 19,500 center-based teachers and assistant teachers
 - » 2,600 family providers

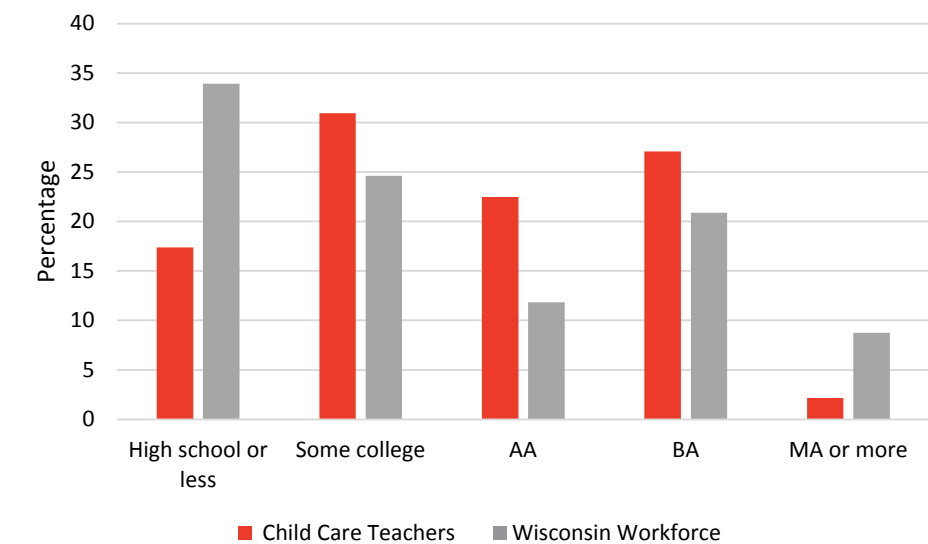
TEACHING STAFF AT CENTERS

- Overwhelmingly women (98 percent)
- Largely white (83 percent) but much more diverse in Milwaukee, where 41 percent of teaching staff are African American and another 11 percent are Hispanic
- 68 percent are teachers (83 percent of whom work full-time)
- 32 percent are assistant teachers (42 percent of whom work full-time)

Teachers are Well-Educated

- Roughly half of the teachers have an associate degree or more education – well in excess of the 41 percent with associate degrees or more in the Wisconsin workforce
- Assistant teachers have considerably lower educational attainment

Educational Attainment of Child Care Teachers Compared to the Wisconsin Workforce



Source: COWS-UWSC Child Care Workforce Study 2015. WI workforce data obtained from 2013 ACS. WI workforce encompasses civilian workers, ages 18-64

Child Care Teachers' and Assistant Teachers' Pay is Very Low

	Teachers	Assistant Teachers
Median starting wage	\$10.00	\$8.50
Median highest wage	\$13.00	\$9.75

Weak Benefits for Teaching Workforce

- 17 percent of teaching staff are eligible for and participates in employer-provided health insurance
- 30 percent of teaching staff are included in some sort of retirement benefit
- More common benefits include paid days off (offered to 51 percent of teaching staff), paid or subsidized training opportunities (83 percent), free or reduced-cost child care (86 percent).

Turnover a Consistent Problem

- 30 percent annual turnover rate of teachers, i.e., a center with 10 teachers would need to replace 3 teachers a year
- 45 percent annual turnover rate of assistant teachers
- Directors report that staffing and filling positions is a growing problem

FAMILY PROVIDERS

- Overwhelmingly women (over 99 percent)
- Largely white (80 percent) but much more diverse in Milwaukee, where 60 percent of family providers are African American
- Typical provider has 15 years of experience
- All have some form of early childhood education training
- One in three family providers has an associate degree or more education

The Median Family Provider

- Works 55 hours per week and 51 weeks per year
- Provides care for six children
- Earns \$2500 per month, while incurring costs of \$1000
- Monthly net earnings are \$1500 per month, or \$7.50 per hour of work
- Most family providers also rely on another source of income; 67 percent rely on spouse's income

Benefits for Family Providers

- Health insurance: 46 percent covered by a spouse, 24 percent purchase health insurance, 20 percent rely on a public program and 8 percent have no health insurance
- Just 22 percent saving for retirement

YOUNGSTAR RATINGS: A NEW CONTEXT

Established in 2010, YoungStar is Wisconsin's system for rating the quality of a child care programs and providing supports to increase quality. Participation is mandatory for all programs serving families on Wisconsin Shares, a child care subsidy program for low-income families. (Participation is voluntary for other programs.) A 2 Star rating is the base level of quality, while a 5 Star rating denotes the highest quality. Wisconsin Shares reimbursement rates are tiered to reward higher quality. Ratings are based on quality indicators in four areas: education of teachers, directors, and family providers; environment and curriculum; business and professional practices; and child health and wellness.

- 78 percent of centers and 73 percent of family providers participate in YoungStar.
- Participating centers are larger than those that are not participating: 87 percent of the center workforce is employed in centers participating in YoungStar.

YoungStar and the Workforce

Centers that have higher quality ratings also:

- Pay higher wages, to both teachers and assistant teachers.
 - » Good news because higher ratings and higher reimbursements are supporting higher wages in the industry.
- Employ teachers and assistant teachers with higher educational attainment.
 - » Good news because the relationship is stronger than one might predict. Currently, star ratings relate only to educational qualifications of directors and lead teachers; these data show that all teaching staff in higher quality centers have more education.
- Have lower workforce turnover.
 - » Good news because consistency of care is related to quality, and the higher wages and higher quality are helping to maintain a more stable teaching workforce.

TEACHERS' AND ASSISTANT TEACHERS' WAGES, EDUCATION AND TURNOVER BY YOUNGSTAR (YS) RATING

	2 Stars	3 Stars	4 Stars	5 Stars	Not Participating in YS
TEACHERS					
Wages					
Median starting wage	\$9.00	\$9.25	\$10.00	\$12.00	\$13.00
Educational attainment					
Share with AA in ECE or higher	25%	38%	53%	73%	71%
Workforce turnover					
Annual rate	37%	34%	25%	26%	20%
ASSISTANT TEACHERS					
Wages					
Median starting wage	\$8.00	\$8.25	\$8.50	\$9.25	\$10.00
Educational attainment					
Share with AA in ECE or higher	4%	10%	7%	21%	39%
Workforce turnover					
Annual rate	48%	56%	43%	39%	26%