

Child Day Care Services

(NAICS 6244)

SIGNIFICANT POINTS

- Preschool teachers, teacher assistants, and child care workers account for about 3 out of 4 wage and salary jobs.
- About 45 percent of all child day care workers have a high school degree or less, reflecting the minimal training requirements for most jobs.
- More than a quarter of all employees work part time, and nearly 3 out of 10 full-time employees in the industry work more than 40 hours per week
- Job openings should be numerous because dissatisfaction with benefits, pay, and stressful working conditions causes many to leave the industry.

Nature of the Industry

Obtaining affordable, quality child day care, especially for children under age 5, is a major concern for many parents. Child day care needs are met in different ways. Care in a child's home, care in an organized child care center, and care in a provider's home—known as family child care—are all common arrangements for preschool-aged children. Older children also may receive child day care services when they are not in school, generally through before- and after-school programs or private summer school programs. With the increasing number of households in which both parents work full time, this industry has been one of the fastest growing in the U.S. economy.

The industry consists of establishments that provide paid care for infants, toddlers, preschool children, or older children in before- and after-school programs. (For information on other social assistance services for children and youths, see the *Career Guide* statement on social assistance, except child day care.)

Two main types of child care make up the child day care services industry: center-based care and family child care. Formal child day care centers include preschools, child care centers, and Head Start centers. Family child care providers care for children in their home for a fee and are the majority of self-employed workers in this industry, which does not include occasional babysitters or persons who provide unpaid care in their homes for the children of relatives or friends.

The for-profit sector of this industry includes centers that operate independently or as part of a local or national chain. Nonprofit child day care organizations may provide services in religious institutions, YMCAs and other social and recreation centers, colleges, public schools, social service agencies, and worksites ranging from factories to office complexes. The number of for-profit establishments has grown rapidly in response to demand for child care services. Within the nonprofit sector, there has been strong growth in Head Start, the federally funded child care program designed to provide disadvantaged children with social, educational, and health services.

Recognizing that the unavailability of child care is a barrier to the employment of many parents, especially qualified women, and that the cost of the benefits is offset by increased employee morale and reduced absenteeism, some employers offer child care benefits to their employees. Some employers sponsor child care centers in or near the workplace, while others provide direct financial assistance, vouchers, or discounts for child care or

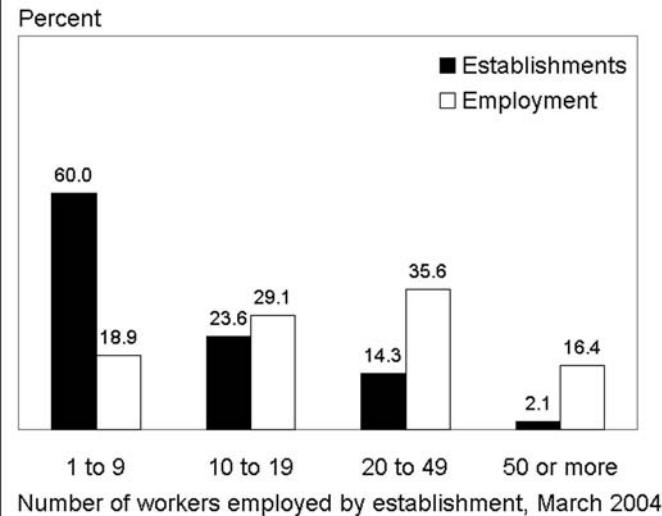
after-school or sick-child care services. Still others offer a dependent-care option in a flexible benefits plan.

Working Conditions

Helping children grow, learn, and gain new skills can be very rewarding. Preschool teachers and child care workers often improve their own communication, learning, and other personal skills by working with children. The work is sometimes routine; however, new activities and challenges mark each day. Child care can be physically and emotionally taxing, as workers constantly stand, walk, bend, stoop, and lift to attend to each child's interests and problems. Child care workers must be constantly alert, anticipate and prevent trouble, deal effectively with disruptive children, and provide fair, but firm, discipline.

The hours of child day care workers vary. Many centers are open 12 or more hours a day and cannot close until all of the children are picked up by their parents or guardians. Unscheduled overtime, traffic jams, and other types of emergencies can cause parents or guardians to be late. Nearly 3 out of 10 full-time

More than 80 percent of child day care services establishments employ fewer than 20 workers; accounting for nearly half of the industry's jobs.



employees in the child day care services industry work more than 40 hours per week. Self-employed workers tend to work longer hours than do their salaried counterparts. The industry also offers many opportunities for part-time work: more than a quarter of all employees worked part time in 2004.

Many child day care workers become dissatisfied with their jobs' stressful conditions, low pay, and lack of benefits and eventually leave. Turnover is generally high in the industry.

Employment

Child day care services provided about 767,000 wage and salary jobs in 2004. Also, there were about 449,000 self-employed and unpaid family workers in the industry, most of whom were family child care providers, although some were self-employed managers of child care centers. However, employment estimates understate the number of people working in this industry, because they exclude family child care provided by relatives. Also, child care workers who work in the child's home, such as nannies, are classified primarily into the private household industry.

Jobs in child day care are found across the country, mirroring the distribution of the population. However, day care centers are less common in rural areas, where there are fewer children to support a separate facility. Child day care operations vary in size, from the self-employed person caring for a few children in a private home to the large corporate-sponsored center employing a sizable staff. Almost half of all wage and salary jobs in 2004 were located in establishments with fewer than 20 employees. Nearly all establishments have fewer than 50 workers (chart 1).

Opportunities for self-employment in this industry are among the best in the economy. About 37 percent of all workers in the industry are self-employed and unpaid family workers, compared with only 7 percent in all industries. This disparity reflects the ease of entering the child day care business.

The median age of child day care providers is 38, compared with 44 for all workers. About 18 percent of all care providers are 24 years or younger (table 1). About 5 percent of these workers are below the age of 20, reflecting the minimal training requirements for many child day care positions.

Table 1. Percent distribution of employment, by age group, 2004

Age group	Child day care services	All industries
Total	100.0%	100.0%
16-19	4.9	4.2
20-24	12.8	9.9
25-34	24.7	21.8
35-44	23.3	24.8
45-54	20.6	23.3
55-64	10.3	12.4
65 and older	3.5	3.5

Occupations in the Industry

There is far less occupational diversity in the child day care services industry than in most other industries. Three occupations—*preschool teachers*, *teacher assistants*, and *child care workers*—account for 75 percent of all wage and salary jobs (table 2).

Preschool teachers make up the largest occupation in the child day care industry, accounting for about 34 percent of wage and salary jobs. They teach pupils basic physical, intellectual,

and social skills needed to enter primary school. *Teacher assistants* account for 12 percent of employment and give teachers more time for teaching by assuming a variety of tasks. For example, they may set up and dismantle equipment or prepare instructional materials.

Child care workers account for about 29 percent of wage and salary jobs, as well as a large proportion of the self-employed who care for children in their homes, known as *family child care providers*. Some parents hire *private household workers*, such as *nannies*, to care for their children in their own home. Regardless of the setting, these workers feed, diaper, comfort, and play with infants. When dealing with older children, they attend to the children's basic needs and organize activities that stimulate physical, emotional, intellectual, and social development.

Education administrators, preschool and child care center/program account for about 4 percent of wage and salary workers. They establish overall objectives and standards for their centers, provide day-to-day supervision of their staffs, and bear overall responsibility for program development, as well as for marketing, budgeting, staffing, and all other administrative tasks.

In addition to hiring workers in the preceding occupations, child day care centers also employ a variety of *office and administrative support workers*, *building cleaning workers*, *cooks*, and *busdrivers*.

Table 2. Employment of wage and salary workers in child day care services by occupation, 2004 and projected change, 2004-14
(Employment in thousands)

Occupation	Employment, 2004		Percent change, 2004-14
	Number	Percent	
Total, all occupations	767	100.0	38.4
Management, business, and financial occupations	50	6.5	35.3
Top executives	7	0.9	39.9
Education administrators	35	4.5	32.9
Professional and related occupations	403	52.5	41.1
Child, family, and school social workers	9	1.1	41.2
Social and human service assistants	5	0.7	41.2
Preschool teachers, except special education	262	34.1	41.2
Kindergarten teachers, except special education	9	1.2	40.5
Elementary and middle school teachers	3	0.4	30.2
Special education teachers	2	0.3	55.1
Other teachers and instructors	3	0.4	41.1
Teacher assistants	95	12.4	41.2
Service occupations	275	35.9	36.2
Cooks, institution and cafeteria	18	2.4	12.9
Building cleaning workers	9	1.2	41.2
Supervisors, personal care and service workers	10	1.3	41.2
Child care workers	222	28.9	37.4
Recreation and fitness workers	3	0.4	39.5
Office and administrative support occupations	29	3.7	26.7
Transportation and material moving occupations	9	1.2	40.7
Bus drivers, school	7	1.0	41.2

NOTE: May not add to totals due to omission of occupations with small employment.

Training and Advancement

Most States do not regulate family child care providers who care for just a few children, usually up to between two and five. Providers who care for more children are required to be licensed and, in a few States, have some minimal training. Once a provider joins the industry, most States require the worker to complete a number of hours of training per year. Many local governments regulate family child care providers who are not covered by State regulations. Home safety inspections and criminal background checks are usually required of an applicant.

Child care centers have staffing requirements that are imposed by States and by insurers. Although requirements vary, in most cases a minimum age of 18 years is required for teachers, and directors or officers must be at least 21. In some States, assistants may work at age 16—in several, at age 14. Most States have established minimum educational or training requirements. Training requirements are most stringent for directors, less so for teachers, and minimal for child care workers and teacher assistants. In many centers, directors must have a college degree, often with experience in child day care and specific training in early childhood development. Teachers must have a high school diploma and, in many cases, a combination of college education and experience. Assistants and child care workers usually need a high school diploma, but that is not always a requirement. Some employers prefer to hire workers who have received credentials from a nationally recognized child day care organization.

Many States also mandate other types of training for staff members, such as health and first aid, fire safety, and child abuse detection and prevention. In nearly all States, licensing regulations require criminal record checks for all child day care staff. This screening requirement protects children from abuse and reduces liability risks, making insurance more available and affordable.

State governments also have established requirements for other child care personnel—those involved in food preparation, the transportation of children, the provision of medical services, and other services. Most States have defined minimum staff-to-child ratios, which vary with the State and the age of the children involved.

Outlook

Wage and salary jobs in the child day care services industry are projected to grow 38 percent over the 2004–14 period, compared with the 14 percent employment growth projected for all industries combined. An unusually large number of job openings also will result each year from the need to replace experienced workers who leave the industry. Replacement needs are substantial, reflecting the low wages and relatively meager benefits provided to most workers. Coupled with the substantial replacement needs, faster-than-average employment growth should create numerous employment opportunities.

The rising demand for child day care services reflects in part demographic trends. Over the 2004–14 period, the number of children under age 5 is expected to increase at a faster rate than in previous years. In addition, the labor force participation rate of women of childbearing age also is expected to increase, though only slightly. This increase likely will cause more households to have both parents working full time, increasing the demand for some form of child care arrangement. As parents continue to work during weekends, evenings, and late nights, demand for

child care programs that can provide care during nontraditional hours will grow significantly. School-aged children, who generally require child care only before and after school, increasingly are being cared for in centers.

With an increasing number of parents preferring its more formal setting and believing that it provides a better foundation for children before they begin traditional schooling, center-based care should continue to expand its share of the industry. However, family child care providers will continue to remain an important source of care for many young children, because some parents prefer the more personal attention that such a setting provides. Demand for child care centers and preschool teachers to staff them could increase further if more States implement preschool programs for 3- and 4-year-old children, as some have begun, and others are planning, to do. In addition, subsidies for children from low-income families attending child day care programs will result in more children being served in centers, as could the increasing involvement of employers in funding and operating day care centers. Legislation requiring more welfare recipients to work also could contribute to demand for child day care services.

Earnings

In 2004, hourly earnings of nonsupervisory workers in the child day care services industry averaged \$9.76, much less than the average of \$15.67 throughout private industry. On a weekly basis, earnings in child day care services averaged only \$299 in 2004, compared with the average of \$529 in private industry. Weekly earnings reflect, in part, hours worked—salaried workers in child day care services averaged 30.6 hours a week, compared with about 33.7 throughout private industry. Earnings in selected occupations in child day care services in May 2004 appear in table 3.

Table 3. Median hourly earnings of the largest occupations in child day care services, May 2004

Occupation	Child day care services	All industries
General and operations managers	\$23.78	\$37.22
Education administrators, preschool and child care center/program	16.01	17.18
Child, family, and school social workers	13.80	16.74
First-line supervisors/managers of personal service workers	11.70	14.59
Preschool teachers, except special education	9.34	10.09
Bus drivers, school	9.28	11.18
Office clerks, general	9.12	10.95
Janitors and cleaners, except maids and housekeeping cleaners	8.04	9.04
Cooks, institution and cafeteria	7.93	9.10
Child care workers	7.34	8.06

Employee benefits often are minimal as well. A substantial number of child day care centers offer no healthcare benefits to any teaching staff. Reduced day care fees for workers' children, however, are a common benefit. Wage levels and employee benefits depend in part on the type of center: nonprofit and religiously affiliated centers generally pay higher wages and offer more generous benefits than do for-profit establishments.

In 2004, about 3 percent of all workers in child day care services were union members or were covered by a union contract, compared with about 14 percent of workers in all industries.

Sources of Additional Information

For additional information about careers in early childhood education, contact:

- National Association for the Education of Young Children, 1509 16th St. N.W., Washington, DC 20036.
Internet: <http://www.naeyc.org>

For more information about the child care workforce, contact:

- Center for the Child Care Workforce, 555 New Jersey Ave., N.W., Washington, DC 20001.
Internet: <http://www.ccw.org>

For an electronic question-and-answer service on child care, information on becoming a child care provider, and other child care resources, contact:

- National Child Care Information Center, 10530 Rosehaven St, Suite 400, Fairfax, VA 22030.
Internet: <http://www.nccic.org>

For a database on licensing requirements of child care settings by State, contact:

- National Resource Council for Health and Safety in Child Care, University of Colorado Health and Sciences Center at Fitzsimons, Campus Mail Stop F541, P.O. Box 6508, Aurora, CO 80045-0508. Telephone (toll free): 800-598-5437.

Internet: <http://nrc.uchsc.edu>

For a list of colleges offering courses in early childhood education, contact:

- Council for Professional Recognition, 2460 16th St. N.W., Washington, DC 20009-3575.
Internet: <http://www.cdacouncil.org>

For information on becoming a family child care provider, send a stamped, self-addressed envelope to:

- The Children's Foundation, 725 15th St. N.W., Suite 505, Washington, DC 20005-2109.

State Departments of Human Services or Social Services can supply State regulations concerning child day care programs, child care workers, teacher assistants, and preschool teachers.

Detailed information on the following key occupations in the child day care services industry appears in the 2006–07 *Occupational Outlook Handbook*:

- Education administrators
- Child care workers
- Teacher assistants
- Teachers—preschool, kindergarten, elementary, middle, and secondary