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Reports Highlight Need for Child Care Changes – both for Families Needing Child Care and Workers Providing Care

Two recent papers released by the DC-based Economic Policy Institute have highlighted the economic impact of child care on American working families. The first, entitled [*High Quality Child Care is Out of Reach for Working Families*](#) notes how the costs of child care varies throughout the United States, exceeding the ability of many to afford quality care. The second, [*Child Care Workers Aren't Paid Enough to Make Ends Meet*](#) documents the economic challenges facing child care workers throughout the United States.

The Economic Progress Institute and Rhode Island KIDS COUNT are partnering to highlight the findings of these papers for Rhode Island families, and those working to provide child care for Ocean State children. Rachel Flum, Executive Director of the Economic Progress Institute notes that “These studies underscore the importance of a robust child care assistance program to help families pay for quality child care for their children. Rhode Island’s eligibility limit (180% of the Federal Poverty Level or \$36,162 for a family of 3) is the lowest in New England, making quality child care unavailable for many working families. Rhode Island should allow more parents to enroll and keep their children in quality care by increasing the income limits for the program.”

Among these findings are the following for Rhode Island:

- The annual cost of child care for a 4 year old consumes more than half (56.7 percent) of full-time, minimum wage earnings. The annual cost of child care for an infant in Rhode Island consumes 69.1 percent of full-time minimum wage earnings.
- It costs nearly as much (98.3 percent as much) to keep a four-year old in child care in Rhode Island as it costs for full-time, in-state public college tuition.

**Annual cost of infant
child care in Rhode
Island: **\$12,929****

**Annual cost of care for a
4-year old in Rhode
Island: **\$10,619****

**Annual median wage of
child care workers in
Rhode Island **\$20,720****

- Rhode Island is one of 33 states (plus the District of Columbia) in which it costs more (119.6 percent as much) to keep an infant in child care than it costs for full-time, in-state public college tuition.
- Child care workers are among the lowest-paid workers in the U.S and in Rhode Island.
- In most Rhode Island counties, more than 90 percent of child care workers earn less than the national Economic Policy Institute’s one-person budget where they live (87.6 percent in Washington County).
- There is a “wage penalty” for child care work that increases with greater education levels. Child care workers with a high school diploma make 28% less and those with a bachelor’s degree make 45% less than similarly educated non-child-care workers.

These national studies drive home the central economic challenges associated with this critical economic sector. Despite costs that are prohibitive for too many Rhode Island families, those working in this industry (and providing the educational foundation for our future workforce) remain poorly paid. Child care programs have high labor costs despite the low wages for individual child care workers. More staff are needed to meet required staff:child ratios to ensure the health and safety of children, which are the most stringent for the youngest children. Also, more staff are needed to cover long hours of care needed by working families -- most child care programs operate 10 or more hours per day.

Elizabeth Burke Bryant, Executive Director of Rhode Island KIDS COUNT, points out that, “Research shows that the education levels of child care professionals are a critical factor for improving child outcomes. Rhode Island should work to implement a tiered reimbursement rate system like 36 other states have done so that the rates the state pays to child care programs serving low-income families are adequate and increase with improved quality. Improved rates will help programs pay higher wages to attract and retain effective and educated staff.”

Leslie Gell, who is the Director of Ready to Learn Providence adds “We know from managing the T.E.A.C.H. Early Childhood scholarship program that child care workers are interested in pursuing college degrees to improve their child development knowledge and early childhood education skills. However, the prevailing wages offered in the child care field are not adequate to retain a more qualified workforce.”

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[The Economic Policy Institute](#), based in Washington, DC, is an independent, nonprofit think tank that researches the impact of economic trends and policies on working people in the United States

[The Economic Progress Institute](#), based in Providence is a non-partisan research and policy organization that works for policies that improve economic security and opportunity for Rhode Islanders.

[Rhode Island KIDS COUNT](#) is a statewide children’s policy organization that works to improve the health, economic well-being, safety, education and development of Rhode Island children.