



Gender and Pay Inequity in Child Care Field

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Many are familiar with the presence of a Glass Ceiling for women in the corporate setting and the national statistics regarding pay gaps for men and women in fields heavily populated by men, but very little economic research has been conducted on pay inequities in the child care field. The Equal Pay Act of 1963 sought to eliminate pay disparities between men and women in the United State labor market, but by 2003 women were reportedly making 79% of what men were earning when controlled for factors like years of work experience, industry, tenure, education, and marital status^[1], and in 2019 while pay gaps have closed slightly with women earning 85% of what men earn now, up 6% in 16 years, there is still a gap^[2]. These pay gaps have been explored in career fields like financial services, manufacturing, utility and electrical repair, mathematical sciences, or metal and plastic milling and planing machinery where women make 56.3%; 55.7%; 55.6%, 54.6%, and 26.8% of every dollar earned by men

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respectively^[3]. According to national statistics nearly 1 million individuals work in the child care field, and it is expected to have a 7% job growth in the next decade^[4]. Child care as a profession has historically been dominated by women. The American Community Survey (ACS) from Census Bureau reports women have averaged 93% of the field since 2014, with male child care workers only comprising 6.9% of the labor ranks. It appears that even in a field that is 93% employed by women, the pay inequities are still prevalent.

Problem Definition. The pay gap closures are not moving quickly enough to benefit this

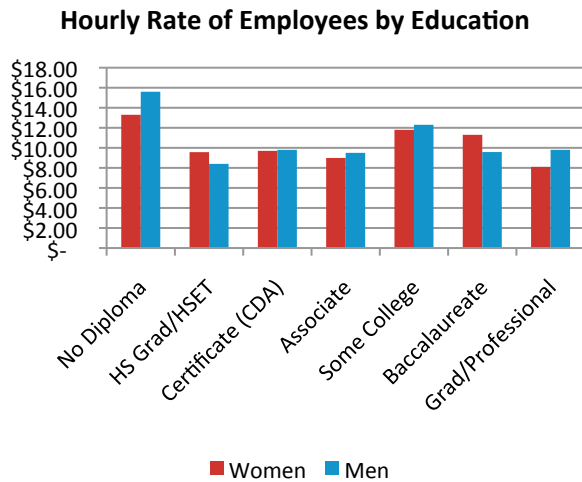


Figure 1.0 Comparison of child care workers classified as hourly wage workers (n=7,124)

generation of women. According to Tennessee data through the *Status of Women* which was calculated by the Institute for Women’s Policy Research Tennessee, at current rates equal pay will not be achieved until 2059, nearly a century after the establishment of the Equal Pay Act of 1930. This is a problem because increasingly numbers of households nationwide list women as the head of household. In Tennessee 20% of all households are led by single women while the national average is 19% [5]. This means for women being able to have a livable wage is critically important, and in a profession like child care whose national average is \$15,093, only 15% higher than the poverty threshold for a single person household, pay equity is even more important for a family’s economic livelihood.

Findings. In an empirical analysis of wages for men and women (N=8,988) in the child care field in Tennessee, trends reflecting pay inequities emerged similar to national averages. Figure 1.0 demonstrates the comparison of child care workers who classified themselves as hourly wage workers (n=7,124). As it shows, women in the categories of high school diplomas and baccalaureate degrees make more money than men, but men make slightly more hourly pay

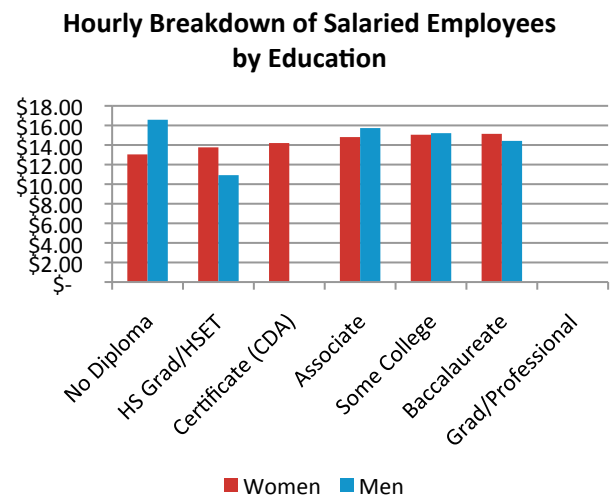


Figure 2.0 Comparison of child care workers classified as salaried workers (n=535)

than women in the categories of graduate/professional degrees, associate degrees, and some college coursework. These align with the national trends in which men out earn women at an hourly rate across all educational attainment levels.

For child care workers who classified themselves as salaried employees (n=535), there were also similarly inequitable trends. As Figure 2.0 demonstrates women with high school diplomas and baccalaureate degrees make more money than men, while men with no diploma, associates degrees, or some college course work make more than women. The total of population for this analysis (Figure 3.0) reflected numbers slightly higher than national averages on the workforce pool. Women in this study comprised 98% of the population, and men were 2%. The national average for men employed in child care profession is 7%, which makes for an even more dynamic look at the salary inequities with numbers half that of national percentages.

Solution. A number of theories exist as how to solve the gender-based inequities in pay, but limited work has been done to actually address it. In research presented by European researchers,

discussion of addressing underlying causes to gender pay gaps included interventions such as occupational segregation, education and training, job classifications and pay systems, awareness raising and transparency [6].

An initial solution to closing the pay gap is through transparency of wages by gender. In April 2019 the United States House of Representatives passed the Paycheck Fairness Act (HR7), which seeks to expand the Equal Pay Act of 1963 and Fair Labor Standards Act, but since 2014 the United States Senate has blocked the legislation on four separate occasions. While the practice of paying men more than women is illegal under gender discrimination laws, in the United States women earn 80 cents for every dollar earned by men [7]. A study conducted by a team of international researchers has found that laws regarding wage transparency have an effect on reducing the gender pay gap by slowing the wage growth of male employees without damaging the profitability of companies [8]. The accountability and awareness components seemingly have an effect on slowing the disparities, not as intended through the increase of female wages, but rather through the retardation of male wage increases.

Responsibility. The responsibility of addressing the wage disparities in the child care field will likely fall upon the state agencies certifying and licensing child care facilities. As with the regulations to protect the welfare and well being of the children enrolled in the centers, state licensing agencies can mandate the reporting of wages to ensure compliance with anti-discrimination laws. Federal agencies like the Administration for Children and Families (AFC), under the United States Department of Health and Human Services (HHS) which operates Early Head Start and Head Start can more adequately regulate the wage disparities for their authorized centers. Of the 4,250 registered child care providers in Tennessee, only 40 are registered as Head Start or Early Head Start

Child Care Workers by Gender

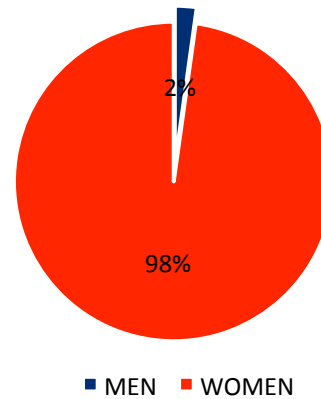


Figure 3.0 Total population in this analysis (n=8,988)

providers, indicating that 99.9% of the child care providers in the state are not federally supported. Thus, responsibility for such an endeavor will fall to the state agencies or professional advocacy groups to bring awareness and resolution to this problem.

Summary. With national shortages in the child care field, areas of the country called Child Care Deserts are most prevalent in low-income areas [9]. A report released by the Center for American Progress revealed that families in rural areas and Hispanic/Latino families are most likely to experience challenges in finding licensed child care options. What this suggests is there is opportunities for growth of licensed facilities in rural and low-income urban areas, which could be opened by individuals residing in those geographic areas. What it also means is that there is opportunity for economic development for child care center operators. However, the gender pay gap is a factor that could adversely impact income gains attained by women engaged in the child care industry, an industry that is 95% populated by women. In the findings of this study there are inherent implications for further policy work and economic research on the impacts of gender pay gaps for those in the child care field.

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