

# Wages for Lead Teachers Vary by Education and Subsidy Participation, But Not Provider Quality

## The Georgia Department of Early Care and Learning Collected Data from More than 34,000 Child Care Workers to Better Understand Child Care Service Costs

The Bureau of Labor Statistics (BLS) produces wage estimates annually for more than 830 occupations identified as Standard Occupational Classifications (SOC).<sup>1</sup> The estimates are organized by job characteristics and geographic location, including national, state, and metropolitan and nonmetropolitan areas. Among the occupations of interest to child care cost modelers are Education Administrators, Preschool and Private Center/Program (SOC 11-9031); Preschool Teachers, Except Special Education (SOC 25-2011); Teaching Assistants, Preschool, Elementary, Middle, and Secondary School, Except Special Education (SOC 25-9042); and Child Care Workers (SOC 39-9011). These occupational estimates are also available at the national level for specific industries, including Child Day Care Services (NAICS 64400).

The Georgia Department of Early Care and Learning (DECAL) observed three limitations in the data provided by the BLS. First, occupational wage estimates within the Child Day Care Services industry are not available at the state or lower level. Second, the impact of state-funded or public school preschool programs on BLS wage estimates is unclear. Third, multiple staff positions can fall under the same SOC code: for example, Child Care Workers (SOC 39-9011) can include any role attending to children and not assigned to SOC 25-2011 or SOC 25-9042.

Seeking to advance its child care cost modeling efforts, DECAL identified an opportunity to improve on the BLS estimates and better understand the drivers of wage differences to build an alternative methodology for establishing state child care subsidy rates. As part of its STABLE 4WARD stabilization grants, funded by the American Rescue Plan Act (ARPA), DECAL obtained quarterly reports between 2022 and 2024 from 3,677 providers that included their employees' hourly wages and education credentials. The reports also included each provider's geographic

**Education credentials, provider quality rating, and participation in child care subsidies are important parameters for establishing differences in child care industry wage statistics.**

**Table 1: DECAL Estimates for Child Care Center Lead Teacher Hourly Wages and Comparison to BLS Estimates for Preschool Teachers, Except Special Education (SOC 25-2011)**

	May 2021 BLS Wage Estimate (SOC 25- 2011)	2022 DECAL Center Lead Teacher Wage Estimate	2022 Georgia's Pre- K Lead Teacher Wage Estimate	DECAL Lead Teacher Wage Estimate Excluding GA's Pre-K
Hourly Wage Statistic				
10th Percentile	\$10.72	\$10.00	\$16.95	\$10.00
25th Percentile	\$12.40	\$12.00	\$18.76	\$11.55
50th Percentile	\$14.45	\$14.50	\$22.12	\$14.00
75th Percentile	\$22.31	\$17.50	\$26.00	\$16.10
90th Percentile	\$29.70	\$21.50	\$29.00	\$19.00

location, quality rating and improvement system (QRIS) rating, and level of participation in Georgia's child care subsidy program. To date, DECAL has collected data on more than 34,000 active workers in the child care industry and more than 8,000 lead teachers. Its analysis can guide other states on how to interpret wage statistics along these parameters.

<sup>1</sup> <https://www.bls.gov/oes/>

DECAL found that its median (50th percentile) wage estimates for center-based lead teachers aligned closely with the BLS median hourly wage for Preschool Teachers, Except Special Education (SOC 25-2011). However, DECAL's distribution was more narrow, and as shown in Table 1, it observed the BLS hourly wages at the 90th percentile more closely matched estimates for Georgia's Pre-K Program, the state's free, lottery-funded educational program that prepares four year olds for kindergarten. If Georgia's Pre-K lead teacher wages were excluded, the distribution of wages for the remaining center-based lead teachers skewed lower than the BLS distribution, especially at the higher percentiles. Prior to the STABLE 4WARD quarterly reports, DECAL understood that Georgia's Pre-K teachers may earn higher wages than other center-based lead teachers, but it could not quantify the difference.

***Wages at state-funded preschool programs can skew BLS estimates higher if these programs offer public school wages or mandate salary levels above the market rate.***

Additional insights can be derived from examining wages as a function of education credentials. DECAL

***DECAL observed a clear progression in the distribution of wages by education credentials, which it can use in its child care cost models.***

collected education credentials and hourly wages for 16 different roles, including center directors, lead teachers, and assistant teachers. The distribution of lead teacher wages by education credential shows a clear progression of increasing wages with educational attainment as shown in Table 2. For example, the median hourly wage for lead teachers without a credential or degree is \$12.24, or 13% below the median for all lead teachers excluding Georgia's Pre-K (\$14.00). For

lead teachers with a Bachelor of Arts (BA) degree or higher in early childhood education or child development (ECE/CD), the median is \$16.07, or 15% higher. DECAL takes education credentials into account as part of its QRIS assessments, and if credentials vary by quality rating, then the agency can use this wage information in its cost-estimation models to evaluate the cost of quality. Appendix A provides a more detailed summary of lead teacher wage distribution by education credential.

**Table 2: Hourly Wage Statistics by Education Degree or Credential for Lead Teachers at Child Care Centers, Excluding Georgia's Pre-K Lead Teachers (n = 8,003)**

Hourly Wage Statistics	BA Degree or Higher in ECE/CD	BA Degree or Higher non-ECE/CD	AA Degree in ECE/CD	AA Degree Non-ECE	CDA or Equivalent (TCC or TCD)	No Credential or Degree	Total
10th Percentile	\$11.54	\$12.00	\$10.25	\$10.00	\$10.00	\$9.50	<b>\$10.00</b>
25th Percentile	\$14.00	\$14.00	\$12.00	\$12.18	\$11.75	\$10.50	<b>\$11.50</b>
50th Percentile (Median)	\$16.07	\$16.00	\$15.00	\$15.00	\$13.50	\$12.24	<b>\$14.00</b>
75th Percentile	\$19.71	\$18.50	\$18.12	\$16.99	\$15.75	\$14.50	<b>\$16.17</b>
90th Percentile	\$23.06	\$21.00	\$23.48	\$19.83	\$17.65	\$16.42	<b>\$19.00</b>
Average Hourly Wage	\$17.23	\$16.66	\$16.30	\$14.99	\$13.82	\$12.67	<b>\$14.38</b>
Count (n)	652	1,014	814	311	2,579	2,633	8,003

*Note: Bachelor of Arts (BA); Early Childhood Education or Child Development (ECE/CD); Child Development Associate (CDA); Associate of Arts (AA); Technical Certificate of Credit in Early Childhood Education (TCC); Technical College Diploma in Early Childhood Education (TCD). Lead teachers possessing No Credential or Degree can still meet state minimum qualifications by completing 15 semester hours in ECE/CD from an accredited college or university, or by enrolling in a credential or degree program within 6 months of becoming employed and completing the program within 18 months of enrollment, or by having their center prepare and maintain a written professional development plan for obtaining a credential or degree that is available to DECAL upon request. A complete list of qualifications required for lead teachers can be found at <https://www.dec.ga.gov/documents/attachments/CCLCRulesandRegulations.pdf>.*

Ultimately, DECAL established wage factors to account for education credentials, geographic location, and participation in its child care subsidy program as illustrated in Table 3. However, the agency could not establish consistent wage factors for quality ratings, independent of education credentials. A more highly

**Table 3: Median (50th Percentile) Wage Factors for Lead Teacher Education Degree or Credential, by Geographic Location, and Employer's Child Care Subsidy Participation; Excluding Georgia's Pre-K Lead Teachers**

	BA Degree or Higher in ECE/CD	BA Degree or Higher non- ECE/CD	AA Degree in ECE/CD	AA Degree Non-ECE	CDA or Equivalent (TCC or TCD)	No Credential or Degree	<b>Total</b>
MRZ 1 - No Subsidies	1.32	1.26	1.32	1.21	1.16	1.07	<b>1.20</b>
MRZ 2 - No Subsidies	1.07	1.00	0.93	0.90	0.93	0.86	<b>0.93</b>
MRZ 3 - No Subsidies	0.96		0.79		0.71	0.70	<b>0.71</b>
MRZ 1 - Receives Subsidies	1.14	1.09	1.07	1.02	1.00	0.93	<b>1.00</b>
MRZ 2 - Receives Subsidies	1.00	1.00	0.86	0.82	0.86	0.79	<b>0.82</b>
MRZ 3 - Receives Subsidies	0.86	0.87	0.79		0.79	0.71	<b>0.75</b>

*Note: Georgia divides its geographic regions into three market rate zones (MRZs): MRZ 1 represents the larger urban and suburban areas of the state; MRZ 2 represents smaller urban and suburban areas; MRZ 3 represents the remaining, more rural areas of the state. A list of counties by MRZ can be found at <https://caps.dec.state.ga.us/assets/downloads/CAPS/AppendixC-CAPS%20Reimbursement%20Rates.pdf>. Blanks indicate unreported values due to small sample sizes (n<20).*

*Example: If the median wage for lead teachers in Georgia is \$14.00, then the estimated wage for teachers with BA Degrees in ECE/CD working at centers in Market Rate Zone 1 serving no children on subsidy is 1.32 \* \$14.00 = \$18.48*

educated workforce may be a hallmark of higher quality, but individual workers with the same level of education can generally expect to be paid similarly regardless of their program's quality rating. Therefore, DECAL believes the providers' cost of quality can be modeled not from simply paying workers more, but

***Wages also varied consistently by geography and participation in child care subsidy programs—but not by quality rating independent of education credentials.***

from employing a greater proportion of more highly educated staff. Wage factors such as those shown in Table 3 can be useful to other states seeking to estimate their child care costs. DECAL believes that participation in its child care subsidy program can serve as a proxy for the socioeconomic circumstances faced by providers and that those who serve children on subsidy may have greater difficulty paying higher wages because they are more likely to lower their tuition rates to align with what their families can afford. This hypothesis was overwhelmingly supported by the data DECAL

collected, particularly in larger urban and suburban areas of the state but also, to a lesser extent, in smaller urban and suburban areas. In rural areas, however, the differences were inconsistent from one education credential to the next, and overall the effect was fairly small.

DECAL sought to enhance its existing data collection activities to make its child care cost models more relevant by collecting better data. Provider-level data such as that collected by DECAL in its STABLE 4WARD grants can significantly increase its understanding of the drivers of child care costs occurring in the market today. When models can accurately represent reality, a more informed discussion around funding gaps can take place. Georgia, like many other states, is actively engaged in multiple data collection efforts. Many of these efforts were developed to meet specific needs

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in the past without regard to the larger ecosystem of data collection activities being constructed. In the future, simple adaptations can only improve the quality of data available to child care cost modeling, streamline data collection, reduce the administrative burden on providers, and improve the overall management of state child care programs.

**Appendix A: Cumulative Distribution of Hourly Wages for Center-Based Lead Teachers in Georgia, Excluding Georgia's Pre-K Lead Teachers, by Education Degree or Credential (n = 8,003)**

