

# Child Care: Developing America's Potential

## The Facts:

Parents need support and peace of mind to be productive at work. Children, our future workforce, need opportunities to develop the skills and aspirations that will enable them succeed in school and life. And America needs a high-performing workforce for today and for tomorrow that not only meets challenges but excels. All of this requires that American families have access to affordable, high-quality child care—now. Together with parents, advocates for children and families must mobilize to convince state and federal policymakers to support investments in high-quality child care as set forth in the *Agenda for Affordable, High-Quality Child Care*.

## Helping to Keep Families Financially Afloat

Child care helps America's families make ends meet and prosper.

- Over three-quarters of women with children ages six to 17 are in the labor force, as are nearly two-thirds of women with children under age six.<sup>1</sup>
- Over 12 million children under age six are in child care on a regular basis,<sup>2</sup> and millions more older children are in after-school programs.<sup>3</sup>
- In 2008, more than half of children living in low-income families (earning two times the federal poverty level, or \$42,400 for a family of four in 2008) had at least one parent who worked full-time, year-round; another 29 percent of these children had at least one parent who worked part-time or full-time, part-year.<sup>4</sup>
- During the 30-year period ending in 2004, growth in median family income was due to the increase in women's earnings. Median personal income for men fell by about \$5,000 during this time period (after adjusting for inflation).<sup>5</sup>

## Helping to Build a Strong Workforce for Today

High-quality child care supports America's current and future workforce, helping employers and the economy.

- The licensed child care sector allows Americans to earn more than \$100 billion annually.<sup>6</sup>
- Breakdowns in child care, causing workplace disruptions, cost businesses around \$3 billion each year in the United States.<sup>7</sup>
- Mothers with reliable child care for their young children are significantly more likely to stay on the job than those without regular child care.<sup>8</sup>

## Helping to Build a Strong Workforce for the Future

High-quality child care not only improves the present situation of millions of children, it promises to build a brighter tomorrow for all Americans.

- Studies of a range of child care settings, combined with longitudinal studies of specific, intensive early care and education programs, demonstrate that the positive impacts of high-quality early learning experiences can continue throughout a child's education. This is especially true for low-income children who have attended high-quality early education

programs, who are more likely to attend college than their peers who did not enroll in such programs.<sup>9</sup>

- A multi-year study of 110 child care centers in North Carolina revealed that children in higher-quality centers demonstrated significantly better cognitive and language skills and abilities than children in lower-quality centers, after accounting for the children's background and characteristics.<sup>10</sup>

## **Change is Needed for Child Care to Provide Even More Help to Families and the Workforce**

*Developing America's Potential: An Agenda for Affordable, High-Quality Child Care* is a comprehensive plan for improving families' access to affordable, high-quality child care. This Agenda is built on successful strategies, used by states, localities, and the U.S. military, proven to improve child care. It focuses on four primary goals:

- Ensuring that children are in healthy and safe child care.
  - Child care safety standards vary significantly from state to state, with many failing to address all of the necessary areas to guarantee children's health and safety. The Agenda requires states to set and enforce basic health and safety standards and mandate basic training and comprehensive background checks of child care workers.
- Ensuring that children are in stimulating early childhood and after-school environments that will help them succeed in school and in life.
  - High-quality child care can promote children's successful development and school readiness. While important for all children, high-quality care has particularly strong positive impacts on at-risk children.<sup>11</sup> Yet many families lack sufficient access to high-quality early learning options for their children. The Agenda requires each state to establish a Quality Rating and Improvement System to inform parents' decisions and to provide incentives to child care centers and family child care homes to continually improve the quality of care they offer.
- Increasing access to high-quality care for families of infants and toddlers.
  - A young child's relationship with his or her child care provider affects the child's cognitive, language, social, and emotional development.<sup>12</sup> Yet high-quality care for infants and toddlers is in particularly short supply. The Agenda provides grants for high-quality, comprehensive infant and toddler care and targeted technical assistance and training to increase the supply of infant and toddler care and provide models that other child care providers and programs can follow.
- Providing low- and moderate-income families with more help in meeting the cost of care.
  - The average fee for full-time care ranges from nearly \$3,400 to \$15,900 annually, depending on where the family lives, the type of care (center-based or family child care), and the age of the child.<sup>13</sup> The Agenda aims to help more families afford child care costs by doubling the number of families receiving child care assistance nationwide, facilitating eligible families' access to assistance, ensuring that child care providers are reimbursed adequately and fairly, and improving the Child and Dependent Care Tax Credit.

Under the Agenda, the federal government will ensure that states have sufficient funding to accomplish these goals and will support research, technical assistance, and coordination efforts to implement them.

Child care helps children, families and communities prosper. When America supports child care, we encourage our nation to reach its full potential.

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<sup>1</sup> U.S. Department of Labor, Bureau of Labor Statistics, Current Population Survey, Employment Characteristics of Families in 2007, Tables 5 and 6, *available at* <http://www.bls.gov/news.release/pdf/famee.pdf> (last visited June 10, 2008). These percentages understate how many women raising children are in the paid labor force because they reflect only women raising their *own* children, and do not include the many women who are raising grandchildren, nieces, and nephews, or other related children. Note that the labor force includes those who are working and those who are looking for work.

<sup>2</sup> Iheoma U. Iruka and Priscilla R. Carver, Initial Results From the 2005 NHES Early Childhood Program Participation Survey (NCES 2006-075) (Washington, DC: U.S. Department of Education, National Center for Education Statistics, 2006), 15, *available at* <http://nces.ed.gov/pubs2006/2006075.pdf> (last visited June 30, 2008).

<sup>3</sup> U.S. Census Bureau, Who's Minding the Kids? Child Care Arrangements: Spring 2005, Detailed Tables, Table 3A (2008), *available at* <http://www.census.gov/population/www/socdemo/childcare.html> (last visited June 30, 2008).

<sup>4</sup> Ayana Douglas-Hall and Michelle Chau, Basic Facts About Low-Income Children: Birth to Age 6 (New York, NY: National Center for Children in Poverty, 2008), 1-2, *available at* [http://nccp.org/publications/pdf/text\\_847.pdf](http://nccp.org/publications/pdf/text_847.pdf) (last visited Apr. 6, 2009).

<sup>5</sup> Julia B. Isaacs, Economic Mobility of Men and Women (Washington, DC: Brookings Institution, 2007), Executive Summary, 1-2, *available at* [http://www.brookings.edu/papers/2007/11\\_menwomen\\_isaacs.aspx](http://www.brookings.edu/papers/2007/11_menwomen_isaacs.aspx) (last visited Jan. 31, 2008).

<sup>6</sup> M.Cubed, The National Economic Impacts of the Child Care Sector (National Child Care Association, 2002), *available at* <http://government.cce.cornell.edu/doc/pdf/UnitedStates.pdf> (last visited Feb. 1, 2008).

<sup>7</sup> Karen Shellenback, Child Care and Parent Productivity: Making the Business Case (Ithaca, NY: Cornell University, Cornell Cooperative Extension, Department of City and Regional Planning, 2004), 7, *available at* <http://government.cce.cornell.edu/doc/pdf/ChildCareParentProductivity.pdf> (last visited June 16, 2008).

<sup>8</sup> Sunhwa Lee, Keeping Moms on the Job: The Impacts of Health Insurance and Child Care on Job Retention and Mobility among Low-Income Mothers (Washington, DC: Institute for Women's Policy Research, 2007), 37-40.

<sup>9</sup> Arthur J. Reynolds, Judy A. Temple, Dylan L. Robertson, and Emily A. Mann, "Age 21 Cost-Benefit Analysis of the Title I Chicago Children Parent Center Program, Executive Summary, June 2001," Report presented at the Annual Meeting of the Society for Prevention Research in Washington, DC (2001), *available at* <http://www.waisman.wisc.edu/cls/cbaexecsum4.html> (last visited Apr. 16, 2008); Frances Campbell, Craig Ramey, Joseph Sparling, Isabelle Lewis, Margaret Burchinal, Elizabeth Pungello, and Shari Miller-Johnson, Early Learning, Later Success: The Abecedarian Study (Chapel Hill, NC: University of North Carolina, Frank Porter Graham Child Development Center, 1999); National Institute of Child Health and Human Development, Preschoolers Who Experienced Higher Quality Care Have Better Intellectual and Language Skills (NIH Backgrounder) (Washington, DC: National Institute of Child Health and Human Development, 2001).

<sup>10</sup> Donna Bryant, Kelly Maxwell, Karen Taylor, Michele Poe, Ellen Peisner-Feinberg, and Kathleen Bernier, Smart Start and Preschool Child Care Quality in NC: Change Over Time and Relation to Children's Readiness (Chapel Hill, NC: FPG Child Development Institute, 2003), *available at* [http://www.fpg.unc.edu/smartstart/reports/Child\\_Care\\_Quality\\_2003.pdf](http://www.fpg.unc.edu/smartstart/reports/Child_Care_Quality_2003.pdf) (last visited Mar. 28, 2008).

<sup>11</sup> Suzanne Helburn, Mary L. Culkin, Carollee Howes, Donna Bryant, Richard Clifford, Debby Cryer, Ellen Peisner-Feinberg, and Sharon Lynn Kagan, Cost, Quality, and Child Outcomes in Child Care Centers (Denver, CO: University of Colorado, 1995); Ellen S. Peisner-Feinberg, Richard M. Clifford, Mary L. Culkin, Carollee Howes, Sharon Lynn Kagan, et al., The Children of the Cost, Quality, and Outcomes Study Go to School (Chapel Hill, NC: University of North Carolina, Frank Porter Graham Child Development Center, 1999). The study assessed quality based on observations of classroom practices and environment and teacher-child interactions.

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- <sup>12</sup> Jack P. Shonkoff and Deborah A. Phillips (Eds.), *From Neurons to Neighborhoods: The Science of Early Childhood Development* (National Research Council and Institute of Medicine, Committee on Integrating the Science of Early Childhood Development, 2000); National Scientific Council on the Developing Child, *Young Children Develop in an Environment of Relationships* (2004), *available at* [http://www.developingchild.net/pubs/wp/Young\\_Children\\_Environment\\_Relationships.pdf](http://www.developingchild.net/pubs/wp/Young_Children_Environment_Relationships.pdf) (last visited May 6, 2008); Anne Goldstein, Katie Hamm, and Rachel Schumacher, *Supporting Growth and Development of Babies in Child Care: What Does the Research Say?* (Washington, DC: Center for Law and Social Policy and Zero to Three, 2007), *available at* [http://www.clasp.org/publications/supporting\\_babies.pdf](http://www.clasp.org/publications/supporting_babies.pdf) (last visited May 6, 2008).
- <sup>13</sup> National Association of Child Care Resource and Referral Agencies, *2008 Price of Child Care*, *available at* [http://www.naccrra.org/randd/docs/2008\\_Price\\_of\\_Child\\_Care.pdf](http://www.naccrra.org/randd/docs/2008_Price_of_Child_Care.pdf) (last visited Apr. 6, 2009).