

Investing in North Carolina's Child Care Sector Can Improve National Security

High-quality child care can contribute to future military readiness



Acknowledgements

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Mission: Readiness

Retired admirals and generals strengthening national security by ensuring kids stay in school, stay fit, and stay out of trouble

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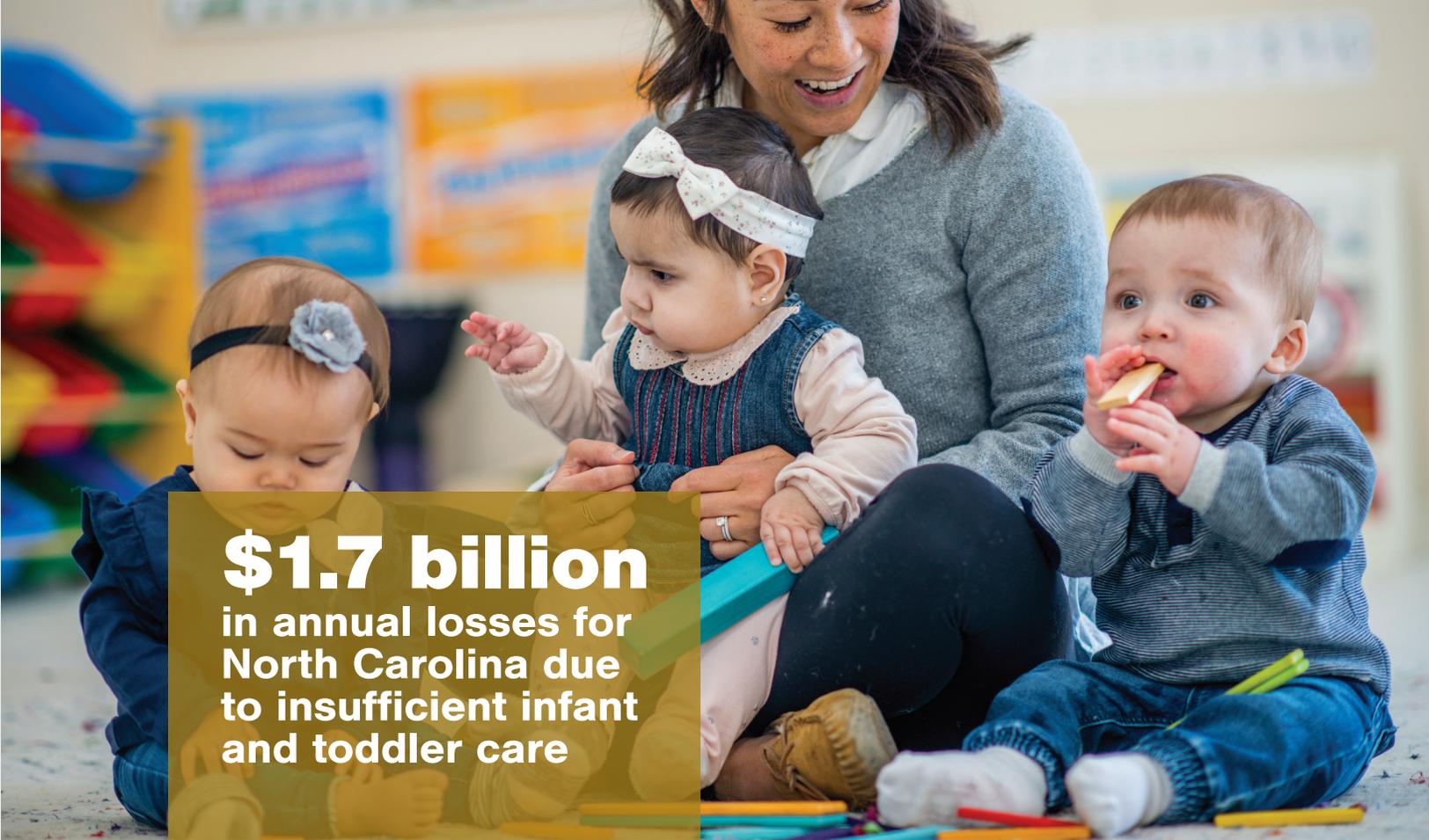
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\$1.7 billion
in annual losses for
North Carolina due
to insufficient infant
and toddler care

Our national security relies on qualified young adults who are ready, willing, and able to serve in the U.S. military. However, educational deficits (lack of a high school diploma or failure on the military’s entrance exam), behavior problems (crime and substance use), and health issues (particularly obesity) currently prevent 72 percent of youth in North Carolina from qualifying for service.¹ Whether joining the workforce or entering the military, identifying and prioritizing research-based education programs is essential to putting youth on a path to success early in life. Investing in high-quality child care and the infant-toddler workforce can help address these issues, ensuring that infants and toddlers learn healthy habits at a young age, and are prepared for any career they choose, including serving in the military.

In early childhood, children begin to develop many of the social-emotional and early learning skills required for 21st-century jobs, including military service.² Therefore, investing in high-quality child care for families who rely on it, and investing in the infant-toddler workforce, are vital to ensure that North Carolina’s children have a strong start in life. High-quality child care also allows parents to be able to work, and can help strengthen North Carolina’s economy. However, a 2019 study of working parents of children under age 3 found that, when families do not have the child care they need, parents’ work productivity falls, resulting in costs to parents, their employers, and, ultimately, taxpayers.³ These challenges inflict an annual cost of \$57 billion in lost earnings, productivity, and revenue nationwide. The estimate for North Carolina is \$1.7 billion per year.

High-quality early childhood education (ECE) can improve future military readiness

While nearly one-third of North Carolinians between the ages of 17 and 24 are too overweight to qualify for military service, and one in five with a high school diploma cannot pass the military entrance exam, the problem begins much earlier.⁴ Children as young as two are experiencing rising obesity rates; among this age group, the obesity rate is 14 percent.⁵ Obesity in childhood can lead to high blood pressure, joint problems, and asthma, and an increased risk of obesity in adulthood.⁶ This demonstrates the need for obesity prevention beginning early in life, with high-quality early learning.

ECE providers can help children develop healthy habits at a young age by serving nutritious meals and ensuring children get adequate exercise throughout the day.⁷ ECE programs that emphasize healthy eating and physical activity can help reduce children's risk of obesity, as these healthy habits last a lifetime. A study of the Abecedarian ECE program found that girls who participated were less likely to become obese as adults, and boys had fewer risk factors for heart disease, stroke and diabetes.⁸

The benefits of high-quality ECE extend beyond positive health outcomes. A longitudinal study of over 1,300 children found that those in higher-quality child care were better prepared for school at age 4, compared to children in lower-quality care. At age 15, these students were still performing slightly better than their peers, and had fewer behavior problems.⁹ Another study found that high-quality, full-day child care had a positive impact on children's language development at age 2.¹⁰ Quality

“ To ensure all of North Carolina's children have access to high-quality child care, we must continue to expand access to child care subsidies and invest in our state's infant-toddler workforce.”



Maj. Gen. (Ret.) Ralph Haynes
U.S. Army

child care has long-term benefits for children's social and emotional development as well, building the foundation of social skills needed in any career, including the military.

The military child care system: an example of high-quality ECE

As we call to expand high-quality child care statewide, we can look toward the military's child care system as a successful model. The Military Child Care System (MCCS) is the country's largest employer-sponsored ECE program.¹¹ Fees for on-base programs are on a sliding scale, determined by family income. On average, public funds cover 64 percent of the cost.¹² The military has embraced child care as a quality-of-life benefit for service members, to support mission readiness, morale, and retention. Quality child care allows service members to focus on their jobs, while providing their children with a

nurturing environment to facilitate development. The total population of military children under the age of 13 is approximately 1.2 million, with one third under the age of 3, making child care an important component of military readiness.¹³ The military's investment into training its ECE teachers and staff will, in turn, prepare infants and toddlers in these programs for future success in any career they choose, potentially increasing future military readiness.

Many of the military's requirements for child care can be applied to civilian centers. These requirements would ensure that providers are meeting high standards, employing qualified staff, and providing high-quality care. The MCCS mandates a training program and credentials for ECE teachers and staff as a condition for employment. Training is provided at no cost to employees, and is linked to a career ladder leading to increased compensation for each completed step. Additionally, the MCCS offers higher wages and more benefits than civilian counterparts, which has dramatically reduced staff turnover.¹⁴

What we can learn from the military child care system in North Carolina

The military and defense industry is North Carolina's second-largest employer.¹⁵ The military supports approximately ten percent of all employment in our state, making the MCCS an important ECE provider.¹⁶ While the military's child care system is now considered a model for the nation, this was not always the case. A generation ago, the Department of Defense overhauled and upgraded its child care system.¹⁷ This investment served not only as a vital workforce support for military parents, but also helped ensure that children had a

quality environment in which they could learn and grow. Today, these child care centers and certified family child care homes are important resources for the military. They provide an example of best practices for child care systems that can be implemented in North Carolina and across the country.

High-quality child care requires a well-prepared, well-compensated workforce

In North Carolina, 60 percent of mothers of infants and toddlers are in the workforce.¹⁸ Just like the military needs well-resourced leaders to train its recruits and ensure national security, ECE workers must be well-resourced to provide care to children during their most essential years of development. Infants and toddlers need nurturing and stimulating environments for healthy brain development during their early years. However, each year there are approximately 30,000 children between the ages of 0 and 5 who are on North Carolina's child care subsidy waitlist; over half are infants and toddlers. Even during the pandemic, the average waitlist was 15,000 and in March 2021 there were over 18,000 children on the waitlist, with about half being infants and toddlers. Only 17 percent of eligible infants and toddlers received child care subsidy assistance.¹⁹

Like enrollment, child care costs vary across the state, but what parents pay does not always cover the full cost. For safety reasons, and because young children require extensive hands-on care, low child-to-staff ratios are necessary. Unfortunately, ECE programs do not always generate enough revenue to adequately pay teachers and staff. On average, infant-toddler teachers in centers earn \$11.00 per hour in North Carolina,

despite the fact that nearly two-thirds have at least an associate degree. Nearly one-quarter do not have health insurance, and almost 40 percent receive some form of public assistance.²⁰ Low wages and lack of benefits are a major reason why many employees leave the ECE field. In 2019, over 20 percent of infant-toddler teachers planned to leave their jobs within the next three years, worsening the child care crisis in our state.²¹ During the pandemic, many centers closed and teachers sought other work, with higher wages; many likely will not return to child care.

Subsidies help North Carolina's working families with low incomes afford child care

To address infant-toddler workforce compensation and a lack of affordable access to child care, North Carolina received \$74 million in Child Care and Development Block Grant (CCDBG) funding in 2019. This allowed the state to launch several initiatives, including serving an additional 3,700 children through the Child Care WAGE\$ program, and supporting the Infant Toddler Educator AWARD\$ program. This program aims to retain more infant and toddler educators by providing better compensation for these jobs. While progress has been made, there are still

unmet needs throughout our state, such as child care deserts, thousands of children who are eligible for child care subsidies but are not receiving them, and barriers to professional development and compensation programs for ECE workers.²²

With the passage of the American Rescue Plan, it is estimated that North Carolina will receive nearly \$1.3 billion in child care relief funding: \$503,800,000 in additional CCDBG funding and \$800,767,458 in child care stabilization funding. North Carolina will be able to use these federal funds to invest in supporting families needing child care subsidy assistance and in stabilizing child care programs and strengthening the early childhood workforce. This is in addition to expanded funding to support child care and early learning provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the Consolidated Appropriations Act, 2021.²³

North Carolina's Subsidized Child Care Services Program also helps eligible families afford care. Parents who are in school, are working or trying to find a job, or whose children have developmental needs are eligible to receive subsidies. Families must meet income requirements and complete an application to receive the subsidy.²⁴

Conclusion

North Carolina must do more to support child care employees and programs throughout our state, especially for infants and toddlers. This can be done through expanding the child care subsidy program, creating incentives to expand the supply of high-quality infant and toddler care programs, and improving the education and compensation of ECE teachers. As the military demonstrated, a complete overhaul of the child care system is not necessary; improvements to the existing system that address issues of adequate staffing and employee wages will have lasting impacts for North Carolina's infants, toddlers, and families.

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