



High-quality Child Care

A two-generation solution for a productive American workforce

Acknowledgements

Council for a Strong America is a national, bipartisan nonprofit that unites five organizations comprised of law enforcement leaders, retired admirals and generals, business executives, pastors, and prominent coaches and athletes who promote solutions that ensure our next generation of Americans will be citizen-ready.

ReadyNation: Business. Kids. Workforce.

Business executives building a skilled workforce by promoting solutions that prepare children to succeed in education, work, and life.

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Author:

Sandra Bishop-Josef, Ph.D., Director of Research

Contributors:

Sara Watson, Ph.D., Global Director
Madeline Shepherd, Associate Director of Federal Policy
Tom Garrett, Associate Director of Communications
Jenny Wing Harper, Director of Federal Policy
Mariana Galloway, Graphic Designer

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15 million
the approximate number
of children who have
both parents or a single
parent working outside
the home.

A skilled, productive workforce is essential for a strong national economy. High-quality, affordable child care supports a productive workforce, both now and into the future. Two-thirds of children under age five in the U.S. have both parents or a single parent who works outside the home, and many of these children are not in high-quality child care. This situation is detrimental to current productivity and also puts our future workforce at risk. Without improvements to the child care system, our nation will not have the workforce we need to be able to compete and succeed in the global marketplace.

Most American mothers are in the workforce and many children are in child care

The majority of mothers, single or married, with children from infants to adolescents, are

“Investments in quality child care are essential to support both children’s healthy development and parents’ success in the workplace.”



Rose Marcario
President & CEO, Patagonia

now in the workforce.¹ Most of these mothers are employed full-time. Two-thirds of children under the age of five in the U.S.—nearly 15 million children—have both parents or a single parent who work outside the home.²

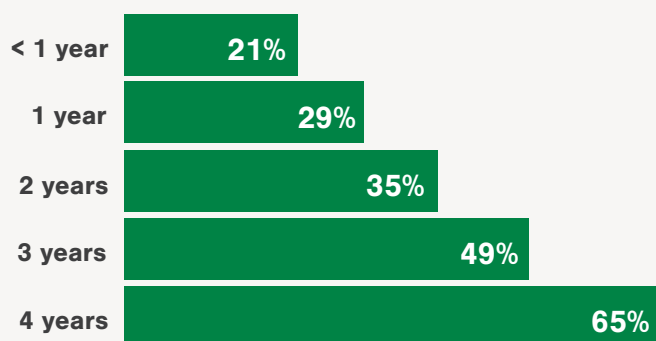
As a result of the dramatic increase in maternal employment over the past several decades, many children are in child care.³ For example, 21 percent of infants under one year of age are cared for by non-relatives, and by age four the figure is 65 percent.

Child care is a critical context for early brain development

There is scientific consensus that brain development from birth to age five sets the foundation for children's future success.⁴ During these years, more than one million new neural connections form every second.⁵ This early foundation informs children's cognition, health, and behavior throughout life. Thus, it is essential that child care consist of responsive, quality environments that nurture early brain development.

Young children in child care by a non-relative

Percent of young children, ages birth–4, who are placed in child care by a non-relative



Source: Child Trends DataBank, 2016

The current child care system does not meet the needs of families or employers

There are several problems with the U.S. child care system that render it less than optimal for children, families and businesses:

- **Access:** Nearly one-third of parents (32 percent) report having difficulty finding child care.⁶ Availability is especially limited for families who work evening and night shifts or live in rural areas.⁷
- **Affordability:** The average annual cost of center-based child care for children ages birth to four (\$9,589) is more than the average cost of in-state college tuition (\$9,410).⁸ This high cost makes child care unaffordable for many families, particularly those with low incomes.
- **Quality:** Only 11 percent of child care nationwide is accredited.⁹ Researchers estimate that only 10 percent of child care is very high quality.¹⁰ Among the shortcomings in quality are high rates of provider turnover, resulting in a lack of stable, consistent caregiving for young children.

These child care problems have negative effects on children, families and employers. For example, in a national survey, 14 percent of respondents reported that in the previous year, someone in the family had to quit a job, not take a job, or greatly change a job because of problems with child care.¹¹ With regard to impact on businesses, research shows that parents dealing with child care challenges take an average of five to nine days off work annually and resulting costs to employers top \$3 billion a year.¹²

High-quality, affordable child care can support a productive workforce—now and into the future

Research demonstrates that women who have access to child care subsidies reap many employment-related benefits: They are more likely to work, are able to work longer hours, have more stable employment and earn more.¹³ Improving access to quality child care will likely increase workplace stability for parents, limiting absences and “presenteeism” (being on the job, but not fully focused) that decrease productivity.

Studies have also shown the benefits of high-quality child care for children. For example, a recent randomized control study of more than 200 children found that high-quality, full-day child care had a positive impact on their language development at age two.¹⁴ Further, compared to those not in the program, children in child care had more positive parent-child relationships and their parents reported fewer child behavior problems. An earlier longitudinal study of more than 1,300 children found that **children in higher-quality child care were better prepared for school at age four** compared to children in lower-quality child care. At age 15, they were still performing slightly above their peers and also had significantly lower levels of behavior problems at age 15 compared to children in lower-quality child care.¹⁵

In combination with high-quality preschool, child care can have an even greater impact on children’s achievement. For example, a study of North Carolina’s

Child care as an industry in the US



**768,000 +
child care programs**

(693,000 sole proprietors
and 75,000 centers)



**1.6 million
people employed**

(624,500 additional jobs
supported in other sectors)



**\$41.5 billion
in revenue**

Source: Committee for Economic Development
<https://www.ced.org/childcareimpact>

Smart Start (child care) and More at Four (preschool) programs found that children in counties that spent more per child were two months ahead in reading and 1.5 months ahead in math by fifth grade when compared with children in counties that spent less.¹⁶

These studies demonstrate the benefits of high-quality child care for the current workforce—realized through increased worker participation, stability and productivity. In addition, quality child care’s impact on children’s academic outcomes bodes well for the development of the future workforce.



Child care benefits state and local economies

States and localities realize nearly \$2 in spending for each dollar invested in child care, as a result of sales of local goods and services. Child care as an industry generates as much or more economic activity than investments in other economic sectors, including manufacturing, construction, or transportation.

Source: Mildred Warner, *Child Care Multipliers: Stimulus for the States*, 2009

Policymakers should continue to promote access to high-quality child care

The business leaders of ReadyNation call on federal, state and local policymakers to support families' access to affordable, high-quality child care. The federal government supports families' need for child care through direct funding, as well as through the tax code. State and local governments support child care quality

through efforts such as quality rating systems. Businesses provide valuable support as well, through initiatives such as on-site child care, funding for employees or to child care providers, and policy advocacy. Meeting the need for high-quality, affordable child care will require investments from all of these important stakeholders. The yield will be a more productive workforce, both now and into the future.

Endnotes

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1212 New York Avenue NW / Suite 300 / Washington, DC 20005 / 202.464.7005

