

High-Quality Child Care

A two-generation approach to boosting Illinois' workforce and productivity

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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627,000

the approximate number of young, Illinois children who have both parents (or a single parent) working outside the home.

A skilled, productive workforce is essential for a strong Illinois economy. High-quality, affordable child care supports a productive workforce, both now and into the future. Seventy percent of Illinois' young children—ages 5 and under—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 state 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



Reliable, affordable child care is essential to a stable, productive workforce; the two go hand in hand.



Lisa Savegnago

President, Nameplate & Panel Technology, Carol Stream

now in the workforce.¹ Most of them are employed full-time. Two-thirds of children under the age of 6 in the U.S.—nearly 15 million children—have both parents or a single parent who work outside the home.² The Illinois figure is even higher: 70 percent (627,000 children under the age of 6) have all available parents participating in the workforce.³

As a result of the dramatic increase in maternal employment over the past several decades, many children are in child care.⁴ Nationwide, 21 percent of infants under 1 year of age are cared for by non-relatives, and by age 4 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 5 sets the foundation for children's future success.⁴

“High-quality child care is the embodiment of an efficient ‘two-generation’ policy: It helps today’s working parents to maintain their jobs, while also helping to support the development of children, who are tomorrow’s workforce.”



Jeff Griffin

President,
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During these years, more than 1 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.

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

Several interrelated challenges render the child care system less than optimal for Illinois children, families and businesses:

- **Access:** Nearly one-third of parents (32 percent) report having difficulty finding child care.⁷ Availability is especially limited for families who work evening and night shifts or live in rural areas.⁸
- **Affordability:** In Illinois, the annual cost of center-based child care for children ages birth to 4 (\$10,000-15,000) is similar to the average cost of in-state college tuition (\$13,621).¹⁰ This high cost makes child care unaffordable for many families, particularly those with low incomes: Only about one-quarter of Illinois children aged 5 and under, at or below 185 percent of the federal poverty level, receive state child care assistance.¹¹
- **Quality:** Only 11 percent of child care is accredited, nationwide.¹² (In Illinois, the accreditation figure is 14 percent of child care centers and 3 percent of family child care homes.)¹³ A recent report characterizes American child care as “a patchwork system that is mediocre at best.”¹⁴ Among the shortcomings in quality are high rates of provider turnover, resulting in a lack of stable, consistent caregiving for young children. Of course, quality does bear a

cost—and thus is inextricably linked with affordability and access.

These problems have negative effects on children, families and employers. For example, 14 percent of national survey respondents reported that, in the previous year, someone in the family had to quit a job, forego taking a job, or greatly change a job because of problems with child care.¹⁵ This impacts 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 U. S. employers top \$3 billion a year.¹⁶

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.¹⁷ Improving access to high-quality child care will likely increase workplace stability for parents and bolster productivity by limiting absences and “presenteeism” (being on the job, but not fully focused).

Some 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 2.¹⁸ Further, compared with those not in the program, children in child care enjoyed 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 4 than children in lower-quality child care. At age 15, they were still performing slightly above their peers and also experienced significantly lower levels of

Child care is a powerful solution in Illinois

A significant “industry” in itself

Child care represents an impressive business sector in its own right—intertwined with and helping to support work in other industries throughout the state.



50,000+
child care programs

(47,000 family child care homes and 2,800 centers)



82,000
people employed

(not including 37,000 additional jobs supported in other sectors)



\$2 billion
in industry revenue

A boon to the greater economy

The state and local economies in Illinois realize \$2.21 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 at least as much economic activity as investments in most other economic sectors, including manufacturing, construction, and transportation.

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

behavior problems at age 15, compared with children in lower-quality child care.¹⁵

Particularly in combination with high-quality preschool, child care can have an even greater impact on children's achievement. One study examined North Carolina's Smart Start (child care) and More at Four (preschool) programs. It 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.²⁰

It's clear from these studies that high-quality child care benefits the current workforce through increased worker participation, stability and productivity. In addition, high-quality child care's impact on children's academic outcomes bodes well for the development of the future workforce.

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

The business leaders of ReadyNation Illinois 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 through funding and such efforts as quality rating systems. Businesses provide valuable backing as well, through initiatives such as on-site child care, funding for employees or child care providers, and calls for wise public policies. Meeting the need for high-quality, affordable child care will require continued attention from all of these important stakeholders. The yield will be a more productive workforce, both now and into the future.

Aiming for ever-higher quality

In child care, quality—like access—is critical to achieving the best possible outcomes for children. One tool that Illinois uses to promote quality child care is ExceleRate Illinois, a recognition and improvement program that helps providers continually raise their quality—and help parents make well-informed choices among the services available to their families.

ExceleRate encourages early childhood programs to earn bronze, silver, or gold “circle of quality” status as recognition for reaching increasingly higher quality in such areas as learning environment and teaching, administrative standards, and training and education.

Among Illinois' licensed child care centers in September 2017,

- 481 had achieved gold circle status,
- 379 had achieved silver, and
- 134 had reached bronze.

Hundreds of family home-based child care programs also participate.

Established in 2013, ExceleRate, is administered by the Illinois Network of Child Care Resource & Referral Agencies under the joint direction of three agencies: the Governor's Office of Early Childhood Development, the Illinois Department of Human Services, and the Illinois State Board of Education.

Source: “Programs in ExceleRate and QRS,” Sept. 30, 2017. Data from Illinois Department of Human Services.

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