

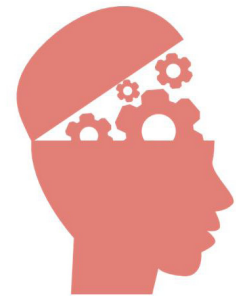


Early care and education investments help prepare low-income children ages zero to five for kindergarten, a critical opportunity to increase readiness and close the achievement gap, provide an important work support for low-income working families and support the professional development and advancement of early care and education providers.

High-Quality Early Care and Education Can Improve Outcomes for Children

Access to affordable, high-quality early care and education is crucial to the future educational success and economic security of our region's most impoverished residents. **Children without this foundation are more likely to encounter financial and academic challenges than peers who enter kindergarten prepared.** Quality early care and education for young children (zero to five) can successfully close this "preparation gap."

- Kids who enter kindergarten prepared are on a path to reading proficiently by third grade – and are four times more likely to graduate high school.¹
- There is also a clear correlation between educational attainment and earnings. Women in our region with a graduate or professional degree have median annual earnings (\$74,772) more than three times the earnings of those who do not graduate from high school (\$19,250).²



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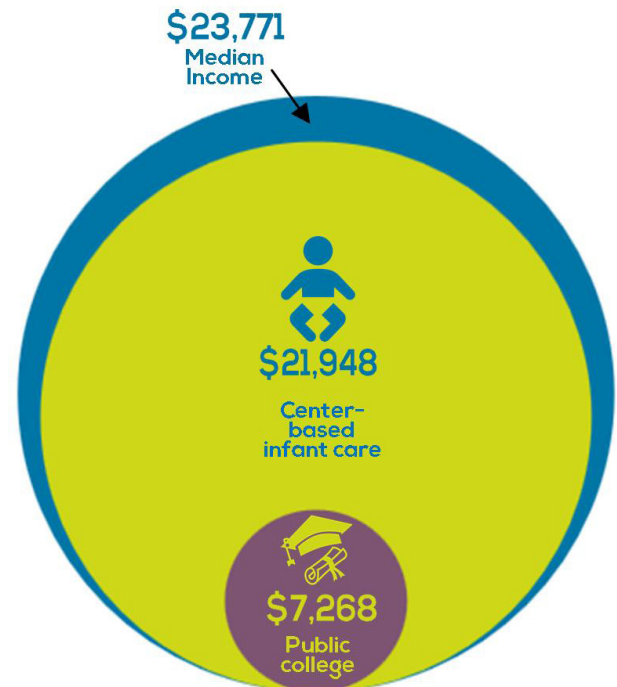


- Young children’s brains are developing rapidly. At birth, the brain is 25 percent of adult size, but reaches 80 percent by age three and 90 percent by age five.³ Preparing three and four-year-olds in pre-k programs is not enough; we have to start early and also invest in quality care for infants and toddlers.

Cost of Early Care and Education is Beyond What Low-Income Families Can Afford

Though the benefits of early care and education are clear, **the cost of these programs is beyond what low-income families can afford.**

- The U.S. Department of Health and Human Services recommends that parents spend no more than 10 percent of their family income on child care. In 2013, the average annual cost of full-time center-based care for an infant in the District of Columbia was roughly \$22,000 or about 92 percent of the median income of a female-headed household. In Maryland and Virginia, the cost for female-headed households (\$13,897 and \$10,028 respectively) was more than a third of their annual income, or about 37 percent. Even for two-parent families, the cost of care in the District of Columbia was about 15 percent of their combined annual income, while it was 12 percent in Maryland and 10 percent in Virginia.⁴
- The cost of center-based care for an infant in the District of Columbia was three times higher than the cost of a year’s tuition and fees at a four-year public college in 2013. In Maryland, the cost of center-based infant care was nearly twice the cost of a year’s tuition and fees at a four-year public college. In Virginia, the cost of center-based care and public college was in a similar range.⁵



Cost as a Share of Median Income for Female-Headed Households in DC

Parents and the High Cost of Child Care, 2013; and The Women’s Foundation analysis of the American Community Survey, 2013.

Economic Benefits of Quality Early Care and Education

Affordable early care and education options are critical for families in our region to remain employed, and **employers report that quality child care improves employee productivity, reduces turnover, diminishes absenteeism, and can increase company value.**⁶ In addition, investing tax dollars in early care and education creates economic development in communities in the short-term and has been found to save money for years to come.⁷

- Investments in early care and education for children in disadvantaged families can deliver an annual return in the range of 7-10 percent based on decreased costs and increased productivity.⁸
- Every public dollar invested in early care and education saves taxpayers up to \$13 dollars in future costs.⁹
- An impact study found that companies that sponsor child care centers for their employees saw a reduction in voluntary turnover that resulted in an aggregate \$3.4 million cost savings for those companies. Turnover among employees using sponsored child care was reduced by nearly 50 percent.¹⁰

Access Differs Across the Region

Access to affordable, high-quality early care and education is crucial to ensuring the future educational success of our youngest residents, but **access differs across the region.**

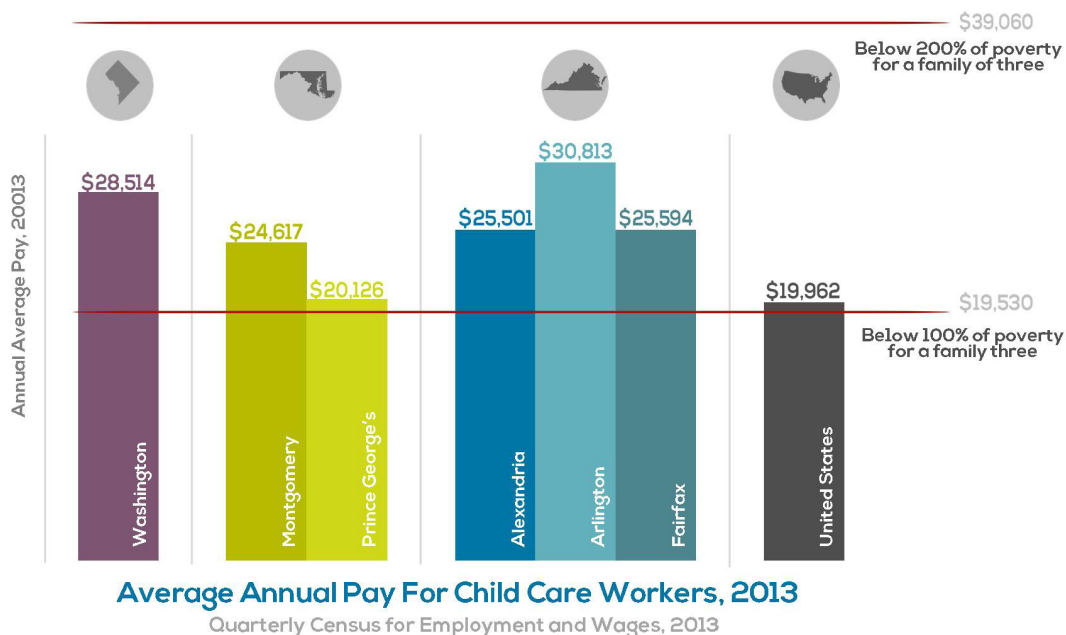
- The share of children attending publicly funded pre-k varies significantly across the region. The District of Columbia is the only jurisdiction that has a universal pre-k program. The city's investment in equal access to early care and education regardless of family income is reflected in the number of three and four-year-olds that are benefiting from the policy.
- About 94 percent of four-year-olds were enrolled in public pre-k programs for the 2012-2013 school year in the District. In comparison, only 35 and 17 percent were enrolled in Maryland and Virginia.
- Enrollment of three-year-old students has increased significantly since the District of Columbia began offering universal pre-k in 2008. As of the 2012-2013 school year, 80 percent of three-year-olds were enrolled. Maryland and Virginia are lagging behind with four and zero percent enrolled respectively.¹¹
- Maryland increased funding for the state pre-k program by \$4.3 million for fiscal year 2015 and expanded the program to include children from families with incomes between 186 percent and 300 percent of the federal poverty line. The expansion will allow 1,600 more children to participate in the program.

- Virginia also increased funding for the state pre-k program for fiscal year 2015, by \$3.5 million, and an additional \$7.1 million for fiscal year 2016. The budget also prevents the loss of pre-k slots in communities that were slated to lose them.
- Maryland and Virginia have made notable progress. However, total funding for state pre-k programs continues to be below pre-recession levels.¹²

Early Care and Education Providers Struggle to Maintain Economic Security

Despite its critical impact, **early care and education is one of the lowest paying professional fields – and jobs are predominately held by women workers,** themselves struggling to support families on low wages. Through professional development, workers can earn higher wages and children receive higher quality programs.

- The average income for a full-time child care professional in 2013 in the Washington region was \$28,514, a decrease of \$178 from 2012 after adjusting for inflation, and barely above the poverty guidelines for a family of three.
- In 2013, the median annual earnings for private child care workers in the Washington region ranged from \$20,126 in Prince George's County to \$30,813 in Arlington County (see graph below).¹³



Conclusion

Research highlighted in this fact sheet speaks to the advantages of quality early care and education for children's development, parents' employment and the broader health of the community. Quality early care and education has both a short-term and long-term impact on the economic vibrancy of the community – supporting the current workforce, while also ensuring the strong development of a well-prepared workforce for the future. Issues of access and cost should not prevent families from the benefits of early care and education. Furthermore, early care and education providers should be able to support families of their own, while working in this critical sector. There is much progress needed to support a high-quality early care and education system in the region, but the potential impact is too critical to delay investment.

To learn more, visit www.TheWomensFoundation.org

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Endnotes

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- ⁴ ChildCare Aware of America. (2014). Parents and the High Cost of Child Care. Arlington, VA: Author. Retrieved March 10, 2015 from <http://www.arizonachildcare.org/pdf/2014-child-care-cost-report.pdf> and the Women's Foundation analysis of the American Community Survey, 2013
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- ⁶ Shellenback, K. (2004) Child Care & Parent Productivity: Making the Business Case. *Cornell Linking Economic Development and Child Care Research Project*. Retrieved March 10, 2015 from <http://s3.amazonaws.com/mildredwarner.org/attachments/000/000/074/original/154-21008542.pdf>
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- ⁸ Shellenback, K. (2004) Child Care & Parent Productivity: Making the Business Case. *Cornell Linking Economic Development and Child Care Research Project*. Retrieved March 10, 2015 from <http://s3.amazonaws.com/mildredwarner.org/attachments/000/000/074/original/154-21008542.pdf>
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- ¹⁰ The companies included in the study were diverse in geographic area, industry and workforce size. Bright Horizons: Family Solutions. (n.d.). The Real Savings from Employer-Sponsored Child Care: Investment Impact Study Results. Watertown, MA: Author. Retrieved March 10, 2015 from <http://www.brighthorizons.com/resources/pdf/investmentimpact.pdf>
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- ¹² Schulman, K., & Blank, H. (2014). Turning the Corner: State Child Care Assistance Policies 2014. *National Women's Law Center*. Retrieved March 10, 2015 from http://www.nwlc.org/sites/default/files/pdfs/nwlc_2014statechildcareassistancereport-final.pdf
- ¹³ Occupations included in the NAICS 624410 Child day care services classification: babysitting services in provider's own home, child day care; babysitting services, child day care; child day care centers; child day care services in provider's own home; child day care, before or after school, separate from schools; day care centers, child or infant; day care services, child or infant; group day care centers, child or infant; head start programs, separate from schools; infant day care centers; infant day care services; nursery schools; pre-kindergarten centers (except part of elementary school system); preschool centers. Quarterly Census for Employment and Wages, 2013. Retrieved March 20, 2015 from <http://www.bls.gov/cew/#databases>