

# Improving Opportunity in Tomorrow's Workforce

A business case for helping advance equity via early childhood investments



## Acknowledgements

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**<50%**  
**of Latino children**  
**ages 3-4 are in**  
**preschool**

## Summary

Workers of color are a significant and growing segment of the American workforce, representing more than one out of every three workers. However, they carry a disproportionate share of economic challenges, from higher unemployment rates to lower average pay. To strengthen our entire economy, it's vital that we make use of every available tool in our workforce-development toolbox to help remedy such inequities, starting with the inequities seen in early childhood. As data show, too many Black, Latino, and other children of color are entering kindergarten unprepared for school success, and at a rate outpacing their white classmates.

Often, those early challenges can extend to further struggles in school and beyond, in jobs and careers. And, yet, many children of color still lack access to the high-quality early care and education (ECE) their parents seek—

and that is shown by research to boost opportunities for youngsters' success in the classroom today and the workplace tomorrow. Such supports can command positive results for children of color, the entrepreneurs and employees and community leaders of our future. Policymakers must increase access to high-quality, affordable ECE programs staffed by qualified, well-compensated teachers; bolster mental health supports for young children, their teachers, and parents; and assist parents through voluntary home-visiting programs.

## Workers of Color Face Disproportionate Economic Burdens

The U.S. economy is fueled by a workforce as diverse as it is strong, including more than 58 million workers of color who comprise 37 percent of its total.<sup>1</sup> Yet, that proportion of workers of color bears an outsized share of workforce and economic challenges.

In 2019, pre-pandemic, the unemployment rate was already running one percentage point higher among Latino workers than white employees, and nearly three points higher among African Americans.<sup>2</sup> Black workers earned 76 cents for every dollar earned by white workers, while Latino employees earned 73 cents.<sup>3</sup> At many mileposts along the cradle-to-career continuum, various measures underscore the persistent challenges faced not only by people of color in today's workforce, but also the workforce of the future.

### **Poverty Negatively Impacts Learning, Life Outcomes**

Poverty is among the most corrosive conditions in kids' learning and development, and it affects disproportionately more children of color than their white counterparts.<sup>4</sup> While 11 percent of white children younger than 6 are living in poverty, the figure is more than double among Latino children (25 percent) and more than three times higher for Black children (34 percent).<sup>5</sup>

Low socioeconomic status has a particularly detrimental effect on school readiness disparities among young children, with overall low-income/high-income gaps even wider than those separating white children from children of color.<sup>6</sup>

### **Educational Disparities Emerge Early and Persist**

Studies demonstrate the first five years of life offer a critical window of opportunity for laying a foundation for learning.<sup>7</sup> During those years, more than one million neural connections form every second—a period of brain development unmatched by any other.<sup>8</sup> However, many children don't get the support they need, as indicated by racial and ethnic disparities in school readiness.<sup>9</sup>

By the time of kindergarten entry, African-American children are lagging behind their white counterparts an average of almost seven months in reading and nearly nine months in math; for Latino children, those

## **Women of Color in the Workforce**

COVID-19 has had a disproportionate impact on women, pushing far more of them out of the workforce than men, often due to the pandemic-driven erosion of child care. Yet, the pandemic is disproportionately affecting Latina and Black women even more. For example, Black mothers' labor force participation declined at a rate more than double that of white mothers.

These trends are particularly striking considering the composition of the child care workforce itself. Not only are 97 percent of child care workers women, but 43 percent are women of color. About half of child care businesses are owned by people of color. Moreover, early childhood teachers and support staff are among the lowest-paid workers nationwide, with disparities that are most egregious for those working with infants and toddlers.

Resolving inequities in early care and education demands that we similarly address and correct inequities in the compensation of its supporting workforce—a business sector that helps to support countless other sectors.

Sources: <https://www.dallasfed.org/research/economics/2020/1110> ; <https://www.bls.gov/cps/cpsaat11.htm>  
<https://www.politico.com/news/2020/07/22/coronavirus-child-care-racial-disparities-377058>

gaps are 11.5 months and nearly 11 months, respectively.<sup>10</sup> Significantly, math and reading abilities at school entry predict later success in school, and children who are behind early often do not catch up.<sup>11</sup>

When it comes to catching up, the picture remains even more sobering for some kids than others. In math and reading on the National Assessment of Educational Progress (NAEP), gaps separate white students from students of color in elementary, middle, and high school.<sup>12</sup> High school graduation rates provide another yardstick; in 2019, the four-year graduation rate of 89 percent for white students compared with 82 percent for Latino and 80 percent for Black students.<sup>13</sup> Clearly, these are not good trends for youth as they move toward exiting school and entering the workforce.

It's clear, given the critical role workers of color play in the U. S. economy, the stability and success of children of color and their families is key to the ongoing success of our entire nation. Helping children of color to reach their full potential in learning and life is a just and smart investment in helping our entire workforce and economy to, in turn, reach *their* full potential.

## Early Childhood: A Vital Foundation for Skills-Building

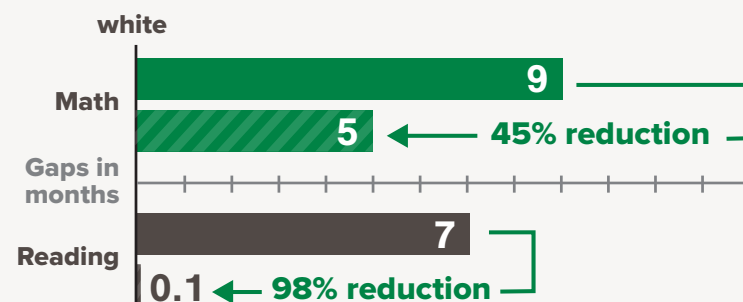
The solutions to these challenges are many, and they demand action. Among them is one important, research-proven answer: extending the reach and quality of early care and education (ECE) opportunities to those who lack it, including many children of color.

The Centers for Disease Control and Prevention are among the experts deeming good early childhood interventions to be among the prevention strategies that can help “ensure a strong start for children.”<sup>14</sup>

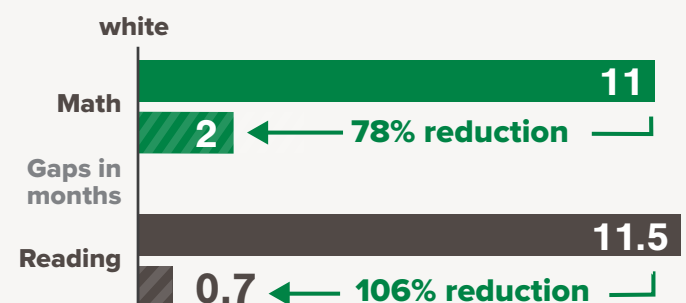
## Shrinking the School-Entry Gaps in Key Skills

A National Institute for Early Education Research (NIEER) study found that “universal” prekindergarten can significantly reduce the math and reading achievement gaps between children of color and their white counterparts:

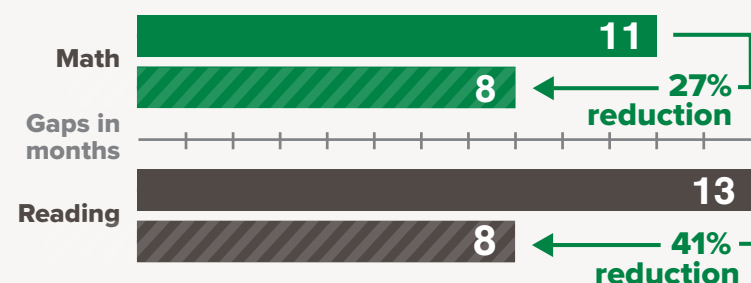
### Estimated reduction in kindergarten math and reading achievement gaps between African American and white students, in months:



### Estimated reduction in kindergarten math and reading achievement gaps between Hispanic and white students, in months:



### Estimated reduction in kindergarten math and reading achievement gaps between low-income and higher-income students, in months:



These interventions range from home-visiting services that provide “coaching” to parents of infants and toddlers, to high-quality child care and preschool programs.

Studies indicate that high-quality preschool can nearly erase both Black-white and Latino-white gaps in reading skills at kindergarten entry.<sup>15</sup> And in math, early learning investments can reduce the school-entry learning gaps by 45 percent among Black children and 78 percent among Latino children. Further, high-quality preschool can also shrink gaps between students from lower-income families and their wealthier counterparts (by 41 percent for reading and 27 percent for math).

## Too Many Kids Lack Access to ECE

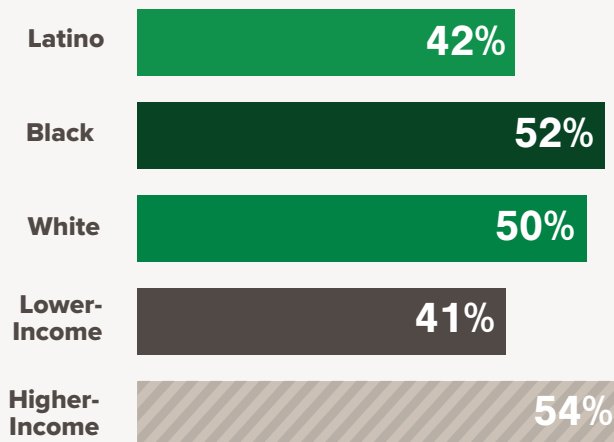
Many families still lack the ECE options that parents seek for their young children—and many of these are families of color, whose youngsters might benefit the most.<sup>16</sup> The challenges reflect factors ranging from financial (such as program costs) to geographic (such as available transportation), and beyond.

More than half (51 percent) of Americans live in a child care “desert,” where there are more than three children for every licensed child care slot.<sup>17</sup> That figure climbs even further among Latino families, to 57 percent, while the rate for Black families is 44 percent (compared to 50 percent for white families). Similar disparities exist for preschool attendance, with 50 percent of white children attending, compared to 42 percent of Latino children and 52 percent of Black children.<sup>18</sup> Children from families with lower incomes are also less likely to attend preschool, compared to those from higher-income families (41 percent vs. 54 percent, respectively).<sup>19</sup>

## Diversity in Early Childhood Education Enrollment

Latino and lower-income children are less likely to be enrolled in preschool programs

Children ages 3-4 enrolled:



Source: KIDSCOUNT <https://datacenter.kidscount.org/>

Often, when ECE programs are available, their costs can push them out of reach. For instance, the cost of center-based infant care exceeds that of in-state college tuition in 34 states and Washington, D.C.<sup>20</sup>

The pandemic has only exacerbated these ECE access challenges. Early in the pandemic, 60 percent of all child care providers were closed, at least temporarily, and some will not reopen.<sup>22</sup> Many state preschool programs also closed temporarily<sup>21</sup> and some shifted children to online learning.<sup>23</sup> Even among the ECE programs that have reopened, many are operating at reduced capacity, due to COVID-related precautions and/or staff shortages, reducing the supply.<sup>24</sup>



## Taking Next Steps in Policy

There are many promising options for improving equity through investments in ECE at the local, state and federal levels. Among the several potential short- and long-term priorities are:

- **Increase access to high-quality, affordable ECE programs:** Given the benefits of high-quality ECE programs, policymakers must work to increase access to these programs. Priority should be given to underserved populations, particularly children of color and those from families with low incomes.
- **Prioritize the development and retention of a high-quality ECE workforce:** Chronically and consistently subpar compensation marks the ECE workforce,<sup>25</sup> which relies heavily upon women of color (see box). Policymakers must address the needs of the ECE workforce, including boosting pay to attract and retain high-quality teachers, investing in professional development, and strengthening the teacher-training pipeline.
- **Bolster mental health supports for young children, their parents, and teachers:** Young children are expelled from ECE for behavioral issues at a rate more than triple that of K-12 students, and figures are disproportionately higher among Black children, particularly boys.<sup>26</sup> Policymakers should invest in evidence-based solutions, such as Early Childhood Mental Health Consultation, in which highly trained consultants work with parents and teachers to address existing behavior problems and prevent further difficulties.<sup>27</sup>
- **Assist parents in their roles as kids' first and most important teachers:** Policymakers should continue to invest in voluntary home-visiting programs, in which trained professionals provide “coaching” to new and expectant parents. These programs have proven to be a powerful intervention in helping families to build strong foundations that lead to later life success, particularly for those who are economically disadvantaged.

## Conclusion

Ensuring that children of color have equitable access to high-quality ECE isn't just the right thing to do; it's a smart investment. It's a matter of stabilizing and strengthening the U. S. economy, an economy that's fueled by the efforts of a workforce in which more than one-third of participants are people of color—a segment that is growing.<sup>28</sup> Establishing a solid foundation for the skills and support of children of color, from their earliest years of learning and life, is a crucial component of building an inclusive and thriving economy. It's an economic imperative that we treat child care, preschool, and home visiting programs as a valued part of our workforce-development approach to improving equity. Doing so will not only help us plan for a more equitable, inclusive and participatory workforce tomorrow, but help to reinforce the well-being of working parents of color today.

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