



Child Care & Workforce Readiness

How greater access to high-quality child care in Colorado can help increase workforce 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.

Supported by tax-deductible contributions from foundations, individuals, and corporations.

Major funders:

Council for a Strong America and ReadyNation thank the Piton Foundation for their generous support.

Council for a Strong America also receives support for the issues addressed in this report from, among others, David and Lucile Packard Foundation, Pritzker's Children Initiative, and ZERO TO THREE.

The views expressed here do not necessarily reflect the views of these funders.

Author:

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

Michael Cooke, Director, Colorado

Contributors:

Madeline Shepherd, Associate Director, Federal Policy

Tom Garrett, Associate Director, Communications

Jenny Wing Harper, Director, Federal Policy

Kim Brinkmann, Graphic Designer

May 2018

©2018 Council For A Strong America. All Rights Reserved.



244,000

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

A skilled, productive workforce is essential for a strong Colorado economy. High-quality, affordable child care supports a productive workforce, both now and into the future.

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 now in the workforce and most are employed full-time.¹ As a result of the increase in maternal employment over the past several decades, many children are in need of child care.

Sixty-five percent of children under the age of six in the U.S.—nearly 15 million children—have parents or a single parent who works outside the home. In Colorado, 244,000 children under the age of 6 (63 percent) have all available parents in the workforce.² Many of these children are in child care³ and



Quality early childhood education makes kids more successful. We will all benefit from that success for decades to come. Today's kids are tomorrow's engineers, teachers, and business leaders.

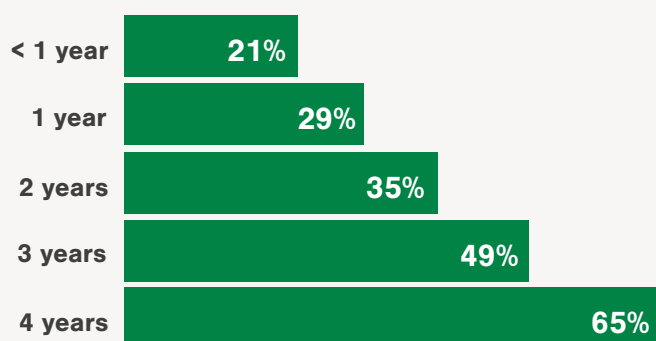
Burnie Zercher

Chairman, Industrial Constructors/Managers

much of it is not high-quality care. Child care supports the current workforce, by providing care for children while parents work, and also helps build the future workforce, by supporting children's development during critical years of early childhood. 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.

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

Early brain development has lifelong impacts

There is scientific consensus that brain development from birth to age five sets the stage for a child's future success.⁴ The birth to age five time frame is the most dramatic period of brain development. 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.

Several factors can impair healthy brain development in early childhood. Without a

stable environment and responsive caregivers, infants can experience toxic stress—a prolonged activation of the stress response system (known as “fight or flight”) that can lead to long-term deficits.⁶ Visual, hearing, and sensory-motor problems can also impair brain development when left unaddressed.⁷

As a result of negative experiences, such as poverty or a lack of responsive caregiving, differences in cognitive abilities emerge as early as nine months of age.⁸ By age three, children of different backgrounds have varying commands of language. A landmark study on this topic found that three-year-old children with parents on welfare had vocabularies that were half the size of children with more affluent parents (525 vs. 1,116 words).⁹

Taking Stock of Underinvestment in Child Care

Many families have trouble finding child care, and even when care is available, it is often low-quality. The vital importance of the early years, with its intense brain development, has not been matched with adequate investments in quality care for young children. For example, the Colorado state child care subsidy rate is 42 percent less than the actual cost of center-based care for a four year old in Denver County.¹⁰ The US lags behind other OECD nations in its investment in early care and education.¹¹ In particular, there are three main problems with the U.S. child care system:

- **Access:** Nearly one-third of parents (32 percent) nationwide report having difficulty finding child care.¹² In Colorado, there are only enough licensed child care slots to meet the needs of one-quarter of the state's young children.¹³

There is also limited availability for families who work evening and night shifts or live in rural areas.¹⁴

- **Cost:** The average annual cost of center-based care for infants (\$15,000) is more than the cost of in-state tuition for one year at a public university in Colorado (\$9,700).¹⁵ Colorado “consistently ranks among the most expensive states for licensed child care.”¹⁶ This high cost puts child care out of reach for many families, particularly low-income families.
- **Quality:** 19 percent of American children in families receiving child care subsidies are not in licensed child care programs (a minimum bar for safety), and 89 percent of children are not in accredited child care programs (an indication of quality).¹⁷ Researchers estimate that only 10 percent of child care is very high-quality.¹⁸ In Colorado, 4,564 providers have been rated under the Colorado Shines quality rating and improvement system (QRIS). Ratings highlight problems with the quality of care: after one year of operation, just 14 percent of these providers were rated level three or above, indicating high quality.¹⁹ By the end of three years, the percentage had only climbed to 19 percent.²⁰

These problems have negative effects on children, families and employers. For instance, 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 due to problems with child care.²¹ Research also shows that parents dealing with child care challenges take an average of five to nine days off work annually, and the resulting costs to U.S. employers top \$3 billion a year.²²

Child care as an industry in Colorado



10,000+
child care programs

(9,200 family child care homes and 1,100 centers)



22,500
people employed

(not including 12,000 additional jobs supported in other sectors)



\$640 million
in industry revenue

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

High-quality, affordable child care can support a productive workforce

Research demonstrates that parents who have access to child care subsidies reap many employment-related benefits: They are more likely to work, are able to work more hours, have more stable employment, and earn more.²³ 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 two.²⁴ 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. A longitudinal study of more than 1,300 children found that children in higher-quality child care were better-prepared for school at age four 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 behavior problems at age 15, compared with children in lower-quality child care.²⁵ By the end of high school, higher-quality care was associated with better high school grades and plans to attend more selective colleges.²⁶

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.

Colorado policymakers must continue to promote access to high-quality, affordable child care

A concerted effort is necessary to improve child care in Colorado and a critical component is the need to raise community and policymaker awareness on the proven importance of high quality child care for the healthy development of a child. With regard

to access, there is a need for more full-day slots, to accommodate the needs of working parents, along with part-day options for families who have that need. The demand for increased access for infants and toddlers is particularly acute. In Mesa County, local leaders have joined together in an effort to increase the number of child care slots in the county from 4,200 to 8,000 by the year 2020. The primary focus of the "Child Care 8,000" effort, which some consider a "heavy lift," is on new slots for newborns to children five years old. Policymakers must also address affordability, as the Colorado Child Care Assistance Program subsidies currently cover only about 13 percent of eligible families. Expanding subsidies would allow more families to choose high-quality care for their children. Additionally, policymakers should work to enable and encourage local funding models, like the 2017 measure approved in San Miguel County. Finally, concerning quality, policymakers must support child care providers—both center- and home-based—in getting rated by the Colorado Shines QRIS program, and increasing their quality to move them up the quality ladder. Efforts can include enhancing teacher recruitment, training, ongoing professional development and compensation. Incentives for providers to help offset the cost of the rating should be explored. Policymakers should also ensure that the licensing requirements for child care providers in Colorado are not weakened, leading to further deterioration in quality.

Conclusion

Given the long-term benefits of high-quality child care to children's cognitive, social, and emotional development, state policymakers should continue to promote quality, access and affordability. Support for high-quality child care is an investment in our children as well as in our future workforce.

Endnotes

- 1** National Women's Law Center (2017, April). A snapshot of working mothers. <https://nwlc.org/wp-content/uploads/2017/04/A-Snapshot-of-Working-Mothers.pdf>
- 2** Kids Count Data Center. (2017). Children under age 6 with all available parents in the labor force. <http://datacenter.kidscount.org>
- 3** Child Trends (2016, May). DataBank: Child Care. http://www.childtrends.org/wp-content/uploads/2016/05/21_Child_Care.pdf
- 4** Shonkoff, J.P., & Phillips, D.A. (Eds). (2000). *From Neurons to Neighborhoods: The Science of Early Childhood Development*. National Academies' Press. 185-217.
- 5** Harvard University Center on the Developing Child. (2017). Five numbers to remember about early childhood development. <http://developingchild.harvard.edu/resources/five-numbers-to-remember-about-early-childhood-development/>
- 6** Harvard University Center on the Developing Child. (2017). Toxic Stress. <http://developingchild.harvard.edu/science/key-concepts/toxic-stress/>
- 7** Shonkoff, J.P., & Phillips, D.A. (Eds). (2000). *From Neurons to Neighborhoods: The Science of Early Childhood Development*. National Academies' Press. 185-217.
- 8** Halle, T., Forry, N., Hair, E., Perper, K., Wandner, L., Wessel, J., & Vick, J. (2009). Disparities in early learning and development: Lessons from the Early Childhood Longitudinal Study–Birth Cohort (ECLS-B). Washington, DC: Child Trends, 1-7.
- 9** Hart, B., & Risley, T. R. (1995). *Meaningful differences in the everyday experience of young American children*. Paul H Brookes Publishing.
- 10** Schulman, K. & Blank, H. (2017, November). Persistent gaps: State child care assistance policies in 2017. National Women's Law Center <https://nwlc-ciww49tixgw5lbab.stackpathdns.com/wp-content/uploads/2017/10/NWLC-State-Child-Care-Assistance-Policies-2017-1.pdf>
- 11** OECD Social Policy Division (2016, November). Public spending on childcare and early education. https://www.oecd.org/els/soc/PF3_1_Public_spending_on_childcare_and_early_education.pdf
- 12** Child care and health in America. (2016, October). NPR, Robert Wood Johnson Foundation, and Harvard T.H. Chan School of Public Health. http://www.rwjf.org/content/dam/farm/reports/surveys_and_polls/2016/rwjf432066
- 13** The child care gap is widening. (2016, August 16). Time. <http://time.com/4445871/the-childcare-gap-is-widening/>
- 14** Howe, S. & Oncken, L. (2016, September) The third pillar of care: Availability. New America. <https://www.newamerica.org/in-depth/care-report/third-pillar-care-availability/>
- 15** Child Care Aware (2017). Parents and the high cost of child care. <https://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/>
- 16** Colorado Children's Campaign (2016). Kids count in Colorado. <https://www.coloradokids.org/wp-content/uploads/2016/03/2016-Kids-Count-3-30-2016-LOW-RES.pdf>
- 17** Howe, S. The second pillar of care: Quality. [https://www.newamerica.org/in-depth/care-report/second-pillar-care-12. quality/](https://www.newamerica.org/in-depth/care-report/second-pillar-care-12-quality/NACCRA); NACCRA (2012, April). Leaving Children to Chance. 46. https://usa.childcareaware.org/wp-content/uploads/2015/10/lcc_report_full_april2012.pdf
- 18** National Institute of Child Health and Human Development, NIH, DHHS. (2006). The NICHD Study of Early Child Care and Youth Development (SECCYD): Findings for children up to age 4 1/2 Years (05-4318) https://www.nichd.nih.gov/publications/pubs/documents/seccyd_06.pdf; Helburn, S., et al. 1995. Cost, quality, and child outcomes in child care centers. <http://files.eric.ed.gov/fulltext/ED386297.pdf>
- 19** Colorado Department of Human Services (2016, February 9). Colorado Shines quality rating and improvement system hits first anniversary with strong momentum. <https://www.colorado.gov/pacific/cdhs/news/colorado-shines-quality-rating-and-improvement-system-hits-first-anniversary-strong-momentum>
- 20** Colorado Shines celebrates two years. Colorado Department of Human Services (2017). <https://us2.campaign-archive.com/?u=77bac9f533d6bce265cae77d9&id=e4c62256ea#COShines>
- 21** National Survey of Children's Health (2011/12). <http://childhealthdata.org/browse/survey/results?q=2261&r=1>
- 22** Shellenback, K. (2004). Child care and parent productivity: Making the business case. Cornell University. Retrieved from: <http://s3.amazonaws.com/mildredwarner.org/attachments/000/000/074/original/154-21008542.pdf>
- 23** Matthews, H., & Walker, C., (2014, July 14). Child care assistance: Helping parents work and children succeed. <http://www.clasp.org/resources-and-publications/publication-1/Child-Care-Assistance-Helping-Parents-Work.pdf>
- 24** Yazejian, N., Bryant, D. M., Hans, S., Horm, D., St Clair, L., File, N., & Burchinal, M. (2017). Child and parenting outcomes after 1 year of Educare. *Child Development*, 88, 1671-1688.
- 25** Vandell, D. L., Belsky, J., Burchinal, M., et al. (2010). Do effects of early child care extend to age 15 years? Results from the NICHD Study of Early Child Care and Youth Development. *Child Development*, 81, 737-756.
- 26** Lowe Vandell, D., Burchinal, M., Pierce, K. M. (2016) Early child care and adolescent functioning at the end of high school: Results from the NICHD study of early child care and youth development. *Developmental Psychology*, 52, 1634-1645. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5115787/>
- 27** Bell Policy Center Staff (2018, January 12). Guide to economic mobility in Colorado. <https://www.bellpolicy.org/2018/01/12/economic-mobility-colorado/>

ReadyNation: Business. Kids. Workforce.

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

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.

3425 S. Race Street / Englewood, CO 80113 / 303.906.7636

