

A Skilled Workforce for New York Depends on Quality Early Learning Settings

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Business leaders have an acute understanding of the importance of a well-educated workforce to support a strong economy, keep America competitive globally, and ensure a vibrant economy.¹

If a community's talent pool is weak, economic development stagnates and business suffers. Right now, 20 percent of the American labor force is functionally illiterate or innumerate.²

Investing in high quality child care and early education builds a strong foundation of cognitive and social skills in young children that can improve their engagement in school and increase per capita earnings and economic development.³

Today's Workforce Reality

Globalization and new technology have reduced the chances of earning a living wage without advanced skills or education, at the same time that the proportion of Americans who meet that need is shrinking.

By some estimates, 85 percent of jobs today are classified as "skilled." There is an increased demand for complex thinking, communication, and technical skills – making unskilled labor increasingly obsolete.⁴

What is clear is that individuals need to achieve education beyond a high school degree and need to develop advanced technical skills. What we know is that the most formative years of brain development come during the prenatal period and the first three years of life – before kindergarten and before preschool.

Families are the most important caregivers and teachers of young children, but many face great challenges, especially in today's economic climate. Early and sustained participation in

quality child care and early learning settings leads to:

- more children graduating high school,
- higher earnings rates for parents and for children once grown,
- reduced public spending on remedial education and services, and
- lower incarceration rates.

While all children benefit from quality child care and early learning settings, studies show that low-income children benefit the most.

The New York Challenge

Throughout the nation, about 19 percent of children do not graduate high school on time, (e.g., dropping out of high school or taking longer than 4 years to graduate from high school). In New York, 22 percent of children do not graduate high school on time.

About 230,000 children in New York (2011-2012) repeated a grade between kindergarten and high school.

The National Assessment of Educational Progress 4th grade test scores show that for New York children:⁵

- 20 percent of White 4th grade students read below grade level;
- 44 percent of Hispanic 4th grade students read below grade level;
- 48 percent of African American 4th grade students read below grade level; and
- 43 percent of low-income 4th grade students read below grade level.

More children are growing up in poverty today than at any time since 1962, which puts them at risk for poor development and dropping out of school. The repercussions are felt throughout our society – for example, in terms of lost

earnings and tax revenue, increased health care costs, and a population unfit for employment and productive work.⁶

New York Children in Poverty

- 24.2 percent of children under age 5 live in poverty.
- 17 percent of families with children under age 5 live in poverty.
- 40.7% percent of families headed by a single mother with children under age 5 live in poverty.
- 43 percent of children under age 18 live below 200 percent of the poverty level.

Source: U.S. Census Bureau

Today, about 98,910 New York children are in Pre-K.⁷ As of FY2014, about 92,200 children each month received a subsidy to help afford the cost of child care.⁸ In the context of the 858,800 children under age 6 with working parents,⁹ more effort needs to be made to ensure that young children have access to quality child care and early learning settings.

Investing in the Workforce

To strengthen New York's workforce, it is time to put what we know from the research into practice. Studies show that quality child care and early learning settings make a difference in whether a child starts school ready to learn.

The achievement gap does not begin in kindergarten, it is first noticed in kindergarten. By investing in quality child care and early learning settings, New York's children will be on a pathway toward the skill set they need to be productive and successful in tomorrow's workforce.

For additional resources read:

Committee for Economic Development. "Unfinished Business: Continued Investment in Child Care and Early Education is Critical to Business and America's Future." (2012). <https://www.ced.org/reports/single/unfinished-business>

U.S. Chamber of Commerce. Institute for a Competitive Workforce. "Why Business Should Support Early Childhood Education." (2010). http://www.smartbeginnings.org/Portals/5/PDFs/Research/ICW_EarlyChildhoodReport_2010.pdf

¹ Committee for Economic Development. "Unfinished Business: Continued Investment in Child Care and Early Education is Critical to Business and America's Future." (2012). <https://www.ced.org/reports/single/unfinished-business>

² Heckman, J. & Masterov, D. (2004). The Productivity Argument for Investing in Young Children. Working Paper 5, Invest in Kids Working Group. Committee for Economic Development.

³ Bartik, Timothy J. (2011). "Introduction. In Investing in Kids: Early Childhood Programs and Local Economic Development. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, pp. 1-12. http://research.upjohn.org/cgi/viewcontent.cgi?article=1771&context=up_bookchapters

⁴ The Council on Competitiveness. (2007). The Competitiveness Index: Where America Stands. <http://www.compete.org/>

⁵ National Assessment of Educational Progress. 2015 State Snapshot Report. 4th Grade Reading Results. http://www.nationsreportcard.gov/reading_math_2015/files/2015_Results_Appendix_Reading.pdf

⁶ Committee for Economic Development. "Unfinished Business: Continued Investment in Child Care and Early Education is Critical to Business and America's Future." (2012). <https://www.ced.org/reports/single/unfinished-business>

⁷ National Institute for Early Education Research. The State of Preschool 2015. New York Profile. http://nieer.org/sites/nieer/files/New%20York_2014_0.pdf

⁸ CCDBG FY2014 Data, HHS ACF Tables: <http://www.acf.hhs.gov/programs/occ/resource/fy-2014-ccdf-data-tables-preliminary> Administration for Children and Families, State and Territory Profiles, New York. (2013)

⁹ DP03. SELECTED ECONOMIC CHARACTERISTICS 2010-2014 American Community Survey 5-Year Estimates, http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_12_5YR_DP03&prodType=table

DP05. ACS DEMOGRAPHIC AND HOUSING ESTIMATES 2010-2014 American Community Survey 5-Year Estimates, http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_12_5YR_DP05&prodType=table