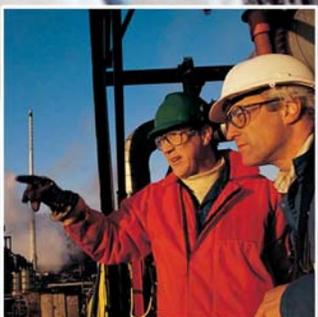
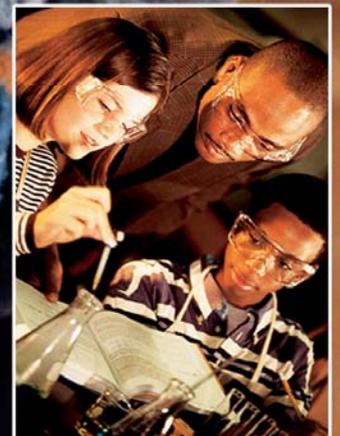


# The Economic Impact of the Child Care Industry in Texas

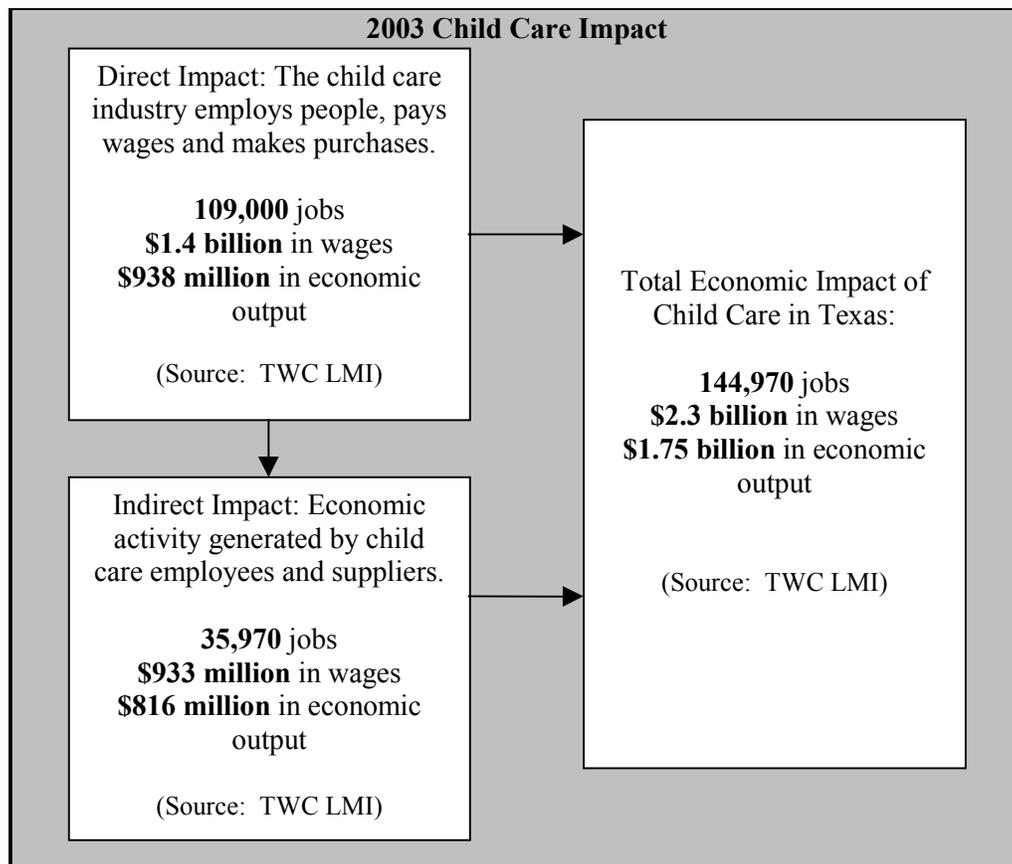
Texas Workforce Commission - December 2003



## The Child Care Industry and Its Economic Impact in Texas

The child care industry is an important and growing part of the Texas economy. Like transportation, education and public works, child care is also a necessary and vital part of the economic infrastructure. The industry employs workers, pays wages and taxes, and purchases goods and services from other industries. It also supports the economy by enabling parents to enter and remain in the workforce. Most importantly, the child care industry provides a safe, reliable and stimulating environment for Texas' children. As we review the economic impact of the child care industry, it is essential to consider the value of this investment in the overall economic growth of Texas.

### Child Care Generates Jobs and Economic Activity

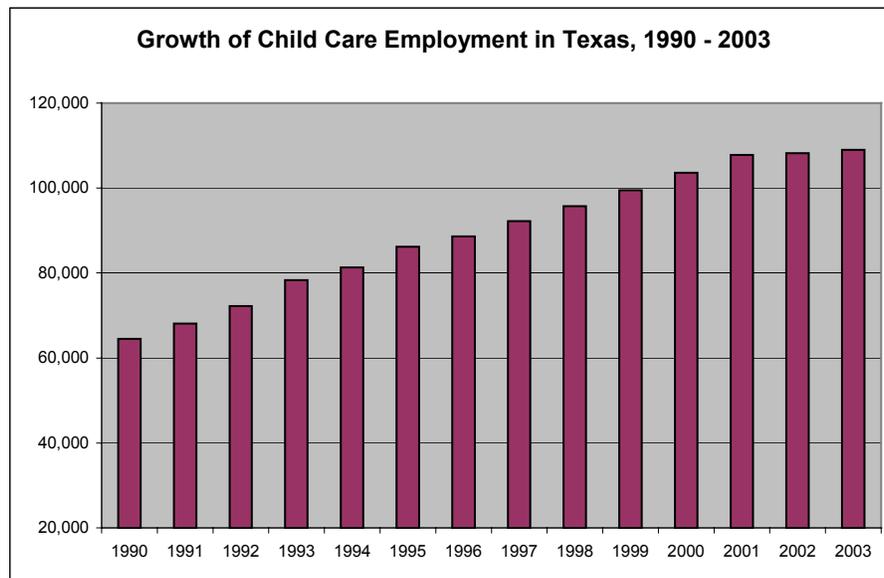


- There were 23,398 licensed or regulated child care providers in Texas in 2002: 8,638 day care centers; 1,982 group day care homes; 9,584 registered family homes; and 3,194 listed family homes, according to the Texas Department of Protective and Regulatory Services (PRS).
- The child care industry creates almost 145,000 jobs in Texas: 109,000 direct jobs and 35,970 indirect jobs.

- The child care industry generates approximately \$2.3 billion in wages for Texans: \$1.4 billion paid directly to child care workers which generate an additional \$933 million in wages in other industries.
- Purchases by the child care industry and child care workers produce \$1.75 billion in economic activity: \$938 million spent directly by facilities and workers that generate an additional \$816 million throughout the economy.

### **The Child Care Industry is Growing**

- The child care industry is projected to be the 11<sup>th</sup> fastest growing industry sector through 2010, ranking ahead of both communications and public relations and just behind home health care and medical offices.
- Employment in child care has grown 38 percent adding 44,500 jobs from 1990 to 2003 (an average of 3,178 a year).
- This growth is expected to continue during this decade. The Texas Workforce Commission (TWC) Labor Market Information Department (LMI) projects that by 2010 employment in the child care industry will increase by 32.8 percent, adding approximately 35,810 new jobs in Texas (an average of 5,115 a year).

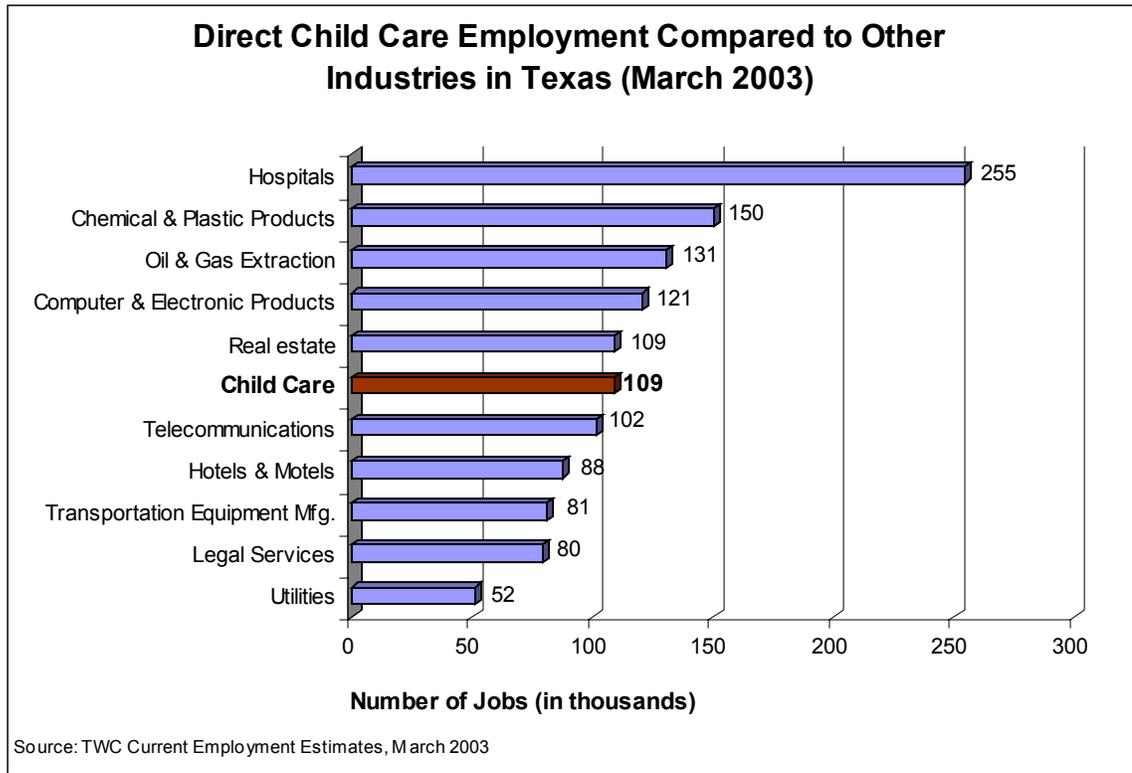


- The child care industry is expected to represent 1.1 percent of the total Texas employment by 2010, but contribute almost 1.9 percent of all new jobs.

### **The Child Care Industry is a Major Employer in Texas**

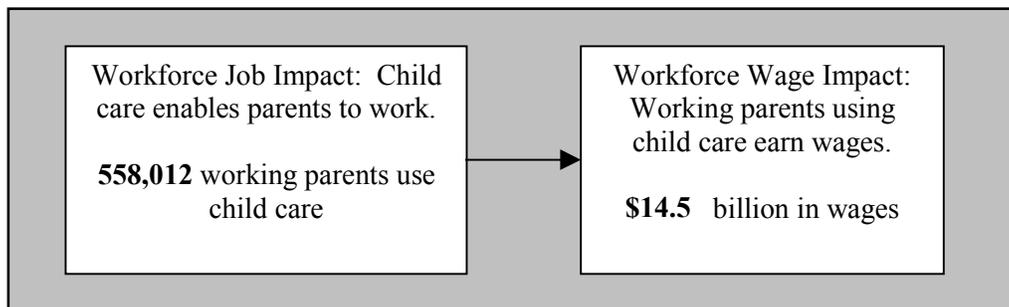
- The child care industry is the 16<sup>th</sup> largest industry in Texas representing 1.16 percent of the total state employment base.

- The child care industry is of comparable employment size to the real estate and telecommunications industries.



### Child Care Provides Vital Support for Working Parents

- The Texas Workforce Commission estimates that there are 762,500 children under age 13 in licensed and regulated child care with working parents.
- There are approximately 558,000 working parents in Texas who use child care.
- These working parents earn an estimated \$14.5 billion in wages.



*For further information about TWC Child Care Services contact us at (512) 936-3137 or visit our website: [www.texasworkforce.org](http://www.texasworkforce.org).*