

Quality Child Care: A Great Investment for Kids, Economy

Numerous studies have shown that early learning is critical to later academic and employment success. Evidence is rolling in that investing in quality child care with fair wages and good working conditions for child care providers can help the economy in the short and long term.

Recently, Hennepin County Sheriff Rich Stanek, Ramsey County Attorney Susan Gaertner, Dakota County Attorney James Backstrom and Minneapolis Police Captain Ike DeLugo released a research [report](#) showing that investing more in voluntary high-quality pre-kindergarten programs not only reduces crime over the long run but also saves millions of dollars in the state's education budget in the short term. The report shows that investments in pre-k programs can reduce the need for special education placements and other K-12 education expenses when pre-k children advance to later grades.¹

More Facts:

Investing in early learning leads to **strong economic returns** in our communities:

- A 2003 study found that in Minnesota, the child care industry employed as many Minnesotans as the travel industry and had revenues higher than business support services or wireless telecommunications.¹
- Investments in early learning generate significant new spending for other local businesses. A New York study found that for every \$1 invested in early learning, \$1.86 is generated in additional spending within the state; the financial return from investments in early learning are comparable to that of construction, and higher than retail, transportation or utilities.²

Early learning improves **school readiness** for children:

- Decades of studies have pointed to pre-kindergarten as the most important “grade” for children’s cognitive development.³
- Studies have found that the quality of teacher-child interactions are an important indicator of school readiness, and that policies and professional development that improve these interactions are key to quality early learning environments.⁴
- Adequate compensation, workforce stability, and worker involvement in program design and public policy can lead to higher employee morale and better quality in early learning programs.⁵

Investment in early learning leads to **increased productivity** and **decreased criminal activity** into adulthood:

- Rob Grunewald, of the Minneapolis Federal Reserve Bank, has found that the, “Benefit-cost ratios [for early learning programs] ranged from \$3 to \$17 for every dollar invested.”⁶
- At risk children without access to quality childcare have been found to be 70% more likely to commit violent crimes later in life, as a result, nearly ¾ of US Law Enforcement Leaders list greater educational programs as a key tool in fighting crime.⁷

¹ <http://www.fightcrime.org/state/minnesota/news/twin-cities-law-enforcement-leaders-say-quality-early-learning-programs-reduce->

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- ¹ National Economic Development and Law Center, “The Economic Impact of the Child Care Industry in Minnesota, Executive Summary,” October 2003. <http://www.gwdc.org/minutes/2003/ExecSum%20ChildCare.pdf>
- ² Stephanie Schaefer, Susan Gates and Mike Kiernan, “Strengthening New York Businesses through Investments in Early Care and Education: How Investments in Early Learning Increase Sales from Local Businesses, Create Jobs and Grow the Economy,” *America’s Edge*, 2010. <http://cdn.americasedge.org/clips/NY-early-learning-economic-analysis-report.pdf>
- ³ Suzanne Winter and Michael Kelley, “Forty Years of School Readiness Research,” *Childhood Education*, 2008.
- ⁴ Andrew Mashburn, Carollee Howes, et. al., “Measures of Classroom Quality in Pre-Kindergarten and Children’s Development of Academic, Language and Social Skills,” *Child Development*, May-June, 2008. <http://www.floridajobs.org/earlylearning/documents/MeasuresofQualityChildrenDevelopment-Mashburn2008.pdf> .
- ⁵ Marcy Whitebook and Laura Sakai, “Turnover Begets turnover: An Examination of Job and Occupational Instability Among Child Care Center Staff,” *Early Childhood Research Quarterly*, 2003 <http://www.irle.berkeley.edu/cscce/pdf/turnover.pdf>; Claudia Hale-Jinks, Herman Knopf, and Kristen Kemple, “Tackling Teacher Turnover in Childcare: Understanding Causes and Consequences, Identifying Solutions,” *Childhood Education*, 2006.
- ⁶ Rob Grunewald and Jean Burr, “Lessons Learned: A Review of Early Childhood Development Studies,” Minneapolis Federal Reserve Bank, April 2006, p. iii. http://www.minneapolisfed.org/publications_papers/studies/earlychild/lessonslearned.pdf
- ⁷ Fight Crime: Invest in Kids, “Preventing Crime with Pre-Kindergarten: A Critical Investment in Minnesota’s Safety.” <http://www.fightcrime.org/sites/default/files/reports/mnprekbrief.pdf>