

Delaware's Early Childhood System & the Economy

Benefits & Barriers to High-Quality Early Childhood Education and Childcare

I BENEFITS

High-quality early childhood education and childcare have substantial benefits for Delaware kids, families, and the economy.

HOW DELAWARE'S KIDS BENEFIT

In the first five years of life, 90 percent of a child's brain development occurs. Increased investment in early childhood education means that kids have:

- Physical health benefits (i.e., less risk for hypertension and obesity, less risk for drug abuse)
- Academic gains (i.e., higher chance of graduating high school and attending college, increased reading and math skills)
- Reduced special education placement
- Closer relationship with parents¹
- Higher chance of full employment as an adult

HOW DELAWARE'S ECONOMY BENEFITS

A study from the University of Chicago by renowned economist James Heckman demonstrates that investing in high-quality early childhood education programs, which target disadvantaged students age birth to 5, can provide states with up to **13 percent-per-year return on investment.**²

Increased labor force participation and earnings from families

Robust early childhood programs improve the economic prospects for children and their mothers. Mothers are able to enter the workforce and increase their earnings as their children receive quality care and learn skills to equip them for the future workforce. **In turn, there is an increase in maternal education, participation in the labor force, and income.**³

Investing in high-quality early childhood education programs—especially ones that target disadvantage children—can provide states with 13 percent annual return on investment.²

Far reaching industry impacts

The child-care industry (child-care centers, in-home providers, and teachers) makes up a significant part of Delaware's economy.⁴

- The Delaware total economic impact of the child-care industry—that is both workers' earnings and the goods and services providers use to run their centers—is \$320 million.
- The Delaware child-care industry employs about 6,700 individuals.

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¹ Fralin Biomedical Research Institute. (2017).

² The Heckman Equation. (2016). There's more to gain by taking a comprehensive approach to early childhood development.

³ The Heckman Equation. (2016). There's more to gain by taking a comprehensive approach to early childhood development.

⁴ Committee for Economic Development of The Conference Board. Child Care in State Economies: 2019 Update.

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I BARRIERS

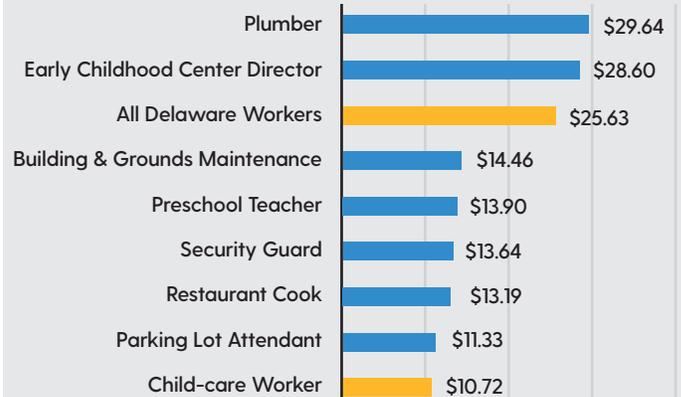
Currently, barriers exist in Delaware that hinder the state's ability to provide every Delaware child with high-quality early childhood education and child care. These barriers are all connected and ultimately stem from a lack of substantial investment in the early learning system.

DELAWARE'S BARRIERS TO HIGH-QUALITY EARLY CHILDHOOD EDUCATION & CHILD CARE

Investing in high-quality early childhood education provides **economic** and long-term health and education benefits to children and families. However, there are three areas that limit Delaware's ability to provide these long-term benefits:

1. **Inadequate Investment:** Delaware invests four times less in children ages 3 to 5 and ten times less in children ages 0 to 2 than in children in grades K–12.⁵
2. **Noncompetitive Salaries:** In Delaware, three-quarters of early learning professionals are paid \$10–11 per hour.⁶ At this rate, a worker with a family of three qualifies for public benefits, such as SNAP benefits (food stamps).
3. **Lack of Family Accessibility:** According to the U.S. Department of Health and Human Services, affordable childcare should cost no more than 10 percent of a family's income.
 - In Delaware, single parents pay 35.8 percent of their income for infant center care, which is nearly the same cost as annual college tuition at a four year college.⁷
 - Married parents of two children living at the poverty line pay 79 percent of their income for center-based childcare.

Hourly Wages for Delaware Workers



Source: Bureau of Labor Statistics. (2018). Occupational Employment Statistics.

By addressing these barriers, Delaware will have a higher return on investment, a more competitive child-care workforce pool, and more quality early childhood education and child care for all children regardless of family income level.

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⁵ Build Initiative. Child and Family Policy Center. (2012). Early Learning Left Out: Building and Early-Learning System to Secure America's Future.

⁶ Bureau of Labor Statistics. (2018). Occupational Employment Statistics.

⁷ Child Care Aware of America. Delaware Cost of Child Care.