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Child care payoff

Study finds economic benefits gained from programs for children

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ALBANY -- If you want to help boost the economy quickly, spend money on early education and child care for children five and under.

That was the message being pushed Thursday by local business leaders and America's Edge, a Washington, D.C., nonprofit organization that focuses on improving public education.

The group unveiled a new study that shows that for every \$1 invested in child care and early education in New York state, \$1.86 is generated in spending injected into the economy.

That return is equal to investments made in construction, which also returns \$1.86 for each dollar spent, and surpasses manufacturing, which returns \$1.72 to the economy for every dollar.

The returns are high for child care and early education because the market is considered part of the services sector that returns \$1.98 spent for every \$1 invested.

The study, which used data supplied by a Cornell University professor, also found that if New York state spent \$3.6 billion to give all children access to child care and early education, \$6.7 billion would be generated in business sales, almost all of which would remain locally. The study estimated that the impact would create 80,000 new jobs, including 17,000 unrelated to the early childhood education sector.

"The results were quite surprising," said Susan Gates, the national director of America's Edge.

Local business leaders said an investment of public and private money in child care and pre-kindergarten education was important not only to the economy in general, but also to the burgeoning technology economy, especially with GlobalFoundries Inc. building a \$4.2 billion computer chip factory in Saratoga County that will require skilled workers.

"We need to ensure now that we make the investments in the future," said F. Michael Tucker, president of the Center for Economic Growth, a regional economic development group based in Albany. "It's not easy if you come to kindergarten ill-prepared."

Although the study results were unveiled at the Legislative Office Building next to the Capitol and a direct appeal was made to state legislators, Tucker said private funding is necessary.

"We also have an obligation in the business community," Tucker said. "Those dollars will stay in New York."

And in addition to helping prepare a better work force, the programs are also important for the current workforce because parents who don't have to worry about child care are better workers and better parents.

"They become better employees," Tucker said. "It's easier for parents to provide more care when they have less stress."

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