

The early care and education industry is an important part of Georgia's economy.

The industry:

- enables parents to work, allowing them to financially care for their families and pay their taxes.
- benefits children in terms of cognitive and social development, school readiness, and health and well-being, thereby contributing to the long-term economic development of the state.

The industry itself is a multibillion dollar industry, and by enabling parents to work, it supports five times as much economic activity in terms of parent wages. On top of these short-term impacts, the industry's primary economic impact is its central focus—preparing children for school and thus affecting the state's long-term economic development through its future workforce.

Profile of the early care and education industry in Georgia:

- The industry serves children of all races and ethnicities, but the percentage of African American children in care represents a larger portion than the proportion of African American children in Georgia at large.
- Centers and family child care homes serve children of low-income families—45 percent of children in centers and 24 percent of children in family child care homes receive free or reduced-price lunch.
- Most centers and family child care providers operate on a 12-month basis; 40 percent of family child care providers and 30 percent of centers offer care on Saturdays, Sundays and/or holidays.
- The average weekly parent fee for infants ranges from \$70 – \$120 for family child care homes and from \$80 – \$145 for centers, based on geographic area.
- The average wage for administrators in centers is \$13.57 per hour; lead teachers earn an average of \$10.45 per hour; and other teaching staff earns, on average, \$7.94 per hour. In family child care homes, the average hourly wage for paid assistant caregivers is \$7.09. Paid leave, paid holidays and paid time-off for training are among the benefits most often offered by centers in Georgia.

Quality increases the economic impact of the industry both in the short run through providers, who must hire more workers and generally spend more money per child, and in the long run through children, by making Georgia's future workforce as productive as possible.

Workforce quality and public investment in human capital development are critical for economic growth. Research shows that human capital investments that start in early childhood can have especially impressive returns. Investments prior to kindergarten—especially for children considered at-risk because of poverty, abuse, neglect and parent chemical dependency, among other factors—can have a substantial impact on the sorts of students, workers, and residents the children eventually become. This is the most efficient means to boost the productivity of the workforce 15 to 20 years down the road. The return on early childhood development programs that focus on at-risk families far exceeds the return on other economic-development projects.

BY THE NUMBERS

\$2.4 billion

Total annual level of gross receipts of the industry for a 12-month period. Gross receipts measure the total amount of resources that go into the early care and education industry.

\$1.7 billion

Additional economic activity associated with the industry.

\$4.1 billion

Total amount of economic activity the industry generates — on par with computer and electronic product manufacturing; the arts, entertainment, and recreation industries; and pharmaceutical manufacturing.

\$13.6 billion

Conservative estimate of the level of parents' annual earnings that are supported by the availability of child care in Georgia.

\$117 million

Amount of federal, state and local tax revenue generated through employment and other spending in the industry, and by fueling expansions in other sectors of the economy.

61,203

Number of jobs early care and education generates in its own industry.

12,900

Number of jobs early care and education generates in other market segments.

383,379

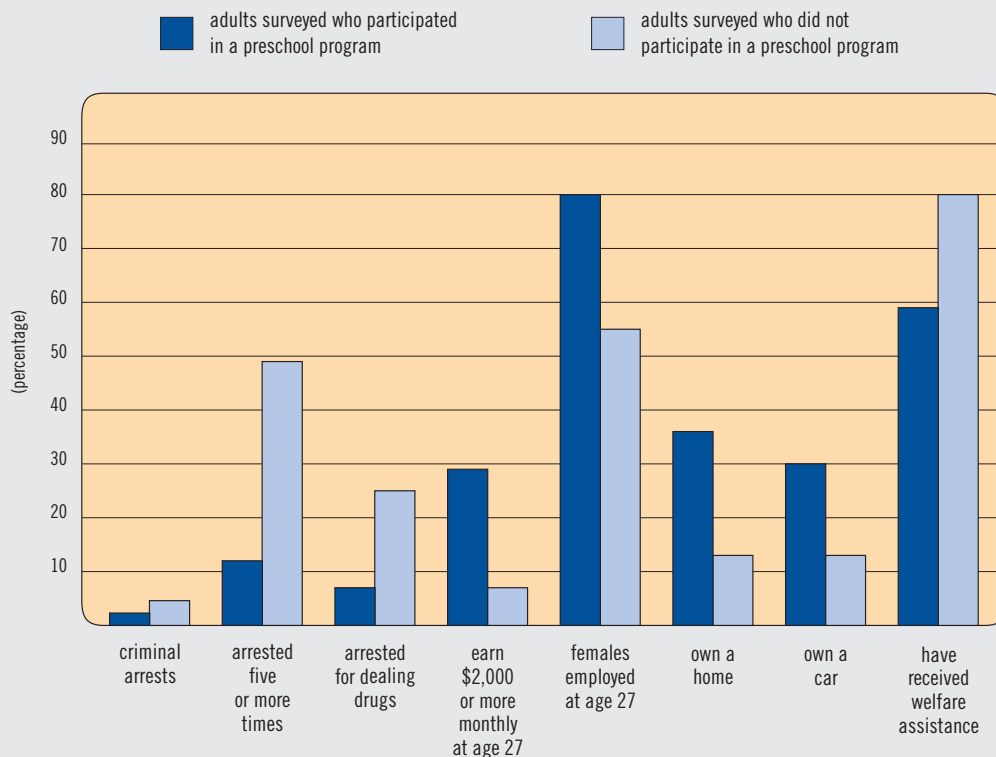
Number of children the early care and education industry in Georgia provides care for each year.

More than 10,000

Licensed or regulated for-profit and nonprofit early care and education centers, family child care homes, group child care homes, pre-kindergarten programs, military family child care homes, Head Start sites and military early care and education centers.

The High/Scope Perry Preschool Study Through Age 40

This study — perhaps the most well-known of all High/Scope research efforts — examines the lives of 123 African Americans born in poverty and at high risk of failing in school. The study found that adults at age 40 who had the preschool program had higher earnings, were more likely to hold a job, had committed fewer crimes, and were more likely to have graduated from high school than adults who did not have preschool.



- Investment in early education yields a higher rate of return than other economic development projects, such as bringing a new sports team to a city or building a new stadium, and is a better indicator of long-term growth and productivity for our future workforce.
 - “Cost benefit analyses of the Perry Preschool Program in Ypsilanti, Mich., the Abedecarian Project in Chapel Hill, N.C., the Chicago Child-Parent Centers, and the Prenatal/Early Infancy Project in Elmira, N.Y., showed the annual rates of return, adjusted for inflation, ranging between seven percent to just over 20 percent.”
- The long-term impact of early education has been shown to include:
 - a lower need for, and costs associated with, special education programs in schools,
 - increased overall high school graduation rates, by 20 percent in some cases, and
 - lower incarceration rates by up to 70 percent.
- Children who attend quality early education programs are less likely to receive welfare assistance later in life.

A. Rolnick and R. Grunewald, “Early Childhood Development: Economic Development with a high Public Return,” March 2003. Online at minneapolisfed.org/pubs/fedgaz/03-03/earlychild.cfm.

Economic Impact of the Early Care and Education Industry in Georgia. Child Policy Partnership.

Rolnick and Grunewald. (2008). Early Education’s Big Dividends, The Better Public Investment. Communities and Banking Article, Federal Reserve Bank of Boston retrieved www.bos.frb.org/commdev/c&b/index.htm.

Schweinhart, Lawrence J. (1994). Lasting Benefits of Preschool Programs. ERIC Digest. ERIC Clearinghouse on Elementary and Early Childhood Education Urbana IL. Retrieved <http://www.ericdigests.org/1994/lasting.htm>.