



The Economic Impact of Child Care



in Niagara County

Completed in 2012 by the Community Child Care Clearinghouse of Niagara
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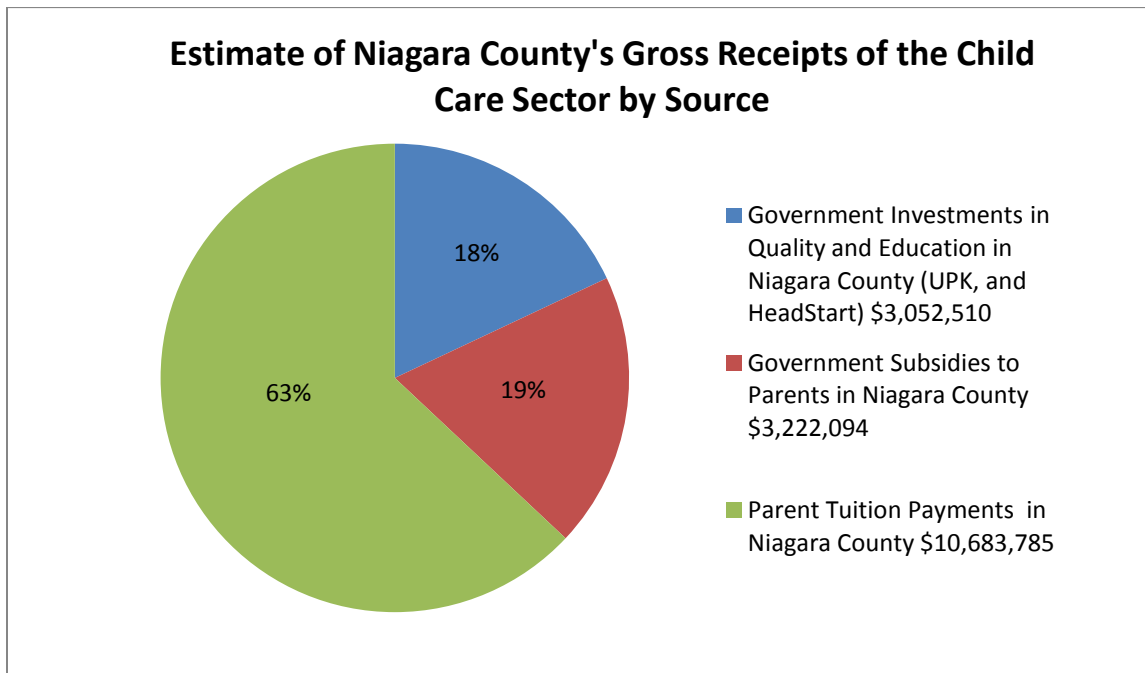
The Economic Impact of Child Care in Niagara County

A regional economic impact analysis, conducted by the Cornell University Department of City and Regional Planning, was completed for the Early Care and Learning Council (ECLC) to determine the economic impact of child care in New York State.

The report concluded that, in New York State, each dollar invested in child care generates a total of \$1.52-\$2.00 in the state economy as a whole. In addition, the federal government invests \$1.3 billion in the early care and education sector in New York. For every one of these federal dollars, more than \$2.00 is generated in the state economy.

New York State provides Niagara County with approximately \$3,222,094 which Niagara County invests in child care annually. This results in an approximate \$6,444,188 economic impact in the Niagara County economy.

The majority of revenue to child care providers comes directly from parents. Monies paid by parents constitute the largest portion of the gross receipts of child care providers, which total \$16,958,389 from all sources.



The Source of the information in the above chart is the New York State Office of Children and Family Services.

The Child Care Sector in Niagara County

Child care is not only a meaningful experience for children but it is also an important building block of the Niagara County economy. Child care supports the economy in

Niagara County in many ways. The Niagara County child care industry assists businesses and workers, and contributes to the economic activity through links with consumers, taxpayers and political leaders.

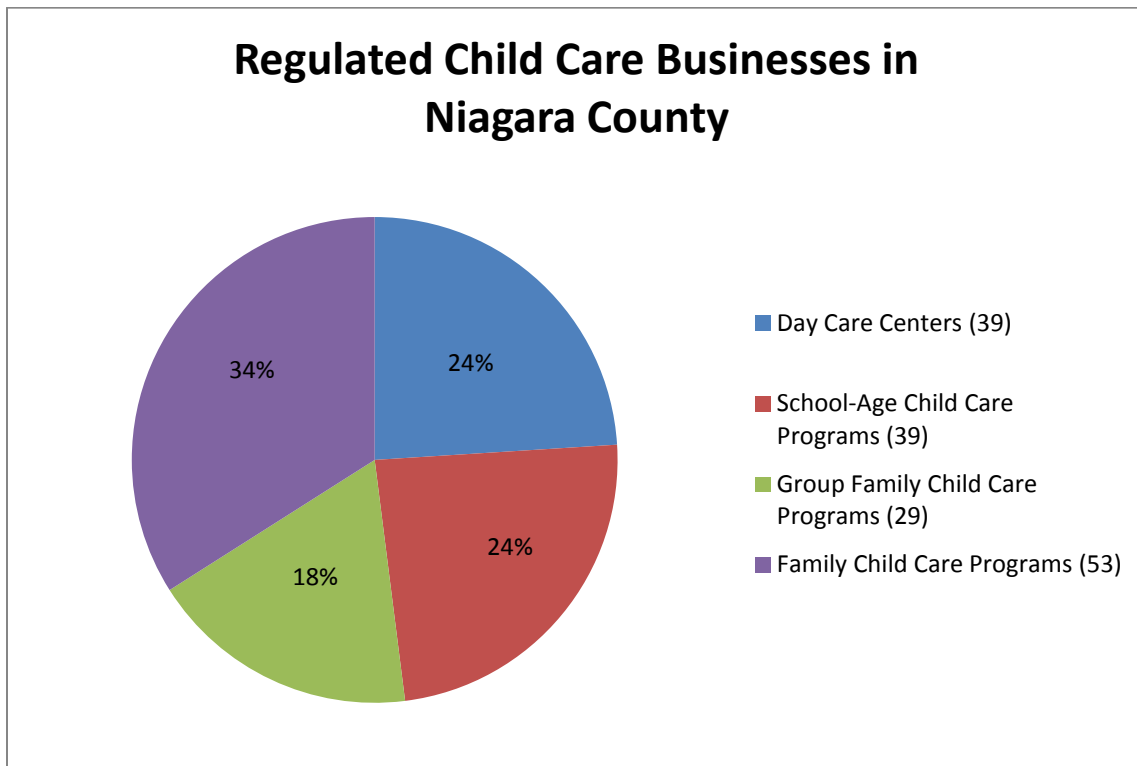
The following statistics on the child care industry explain the economic importance of the child care profession in Niagara County.

160 Small Businesses – Child care is a significant small business sector in Niagara County. The sector includes not-for-profit and for-profit centers, Head Start, Universal Pre-kindergarten programs as well as 82 family child care programs.

33,239 families with all parents in the family employed in the labor force - Child care is part of the social infrastructure that keeps Niagara County working. By caring for children the child care sector enables parents to go to work. These working parents are estimated to collectively earn more than \$805.2 million dollars.

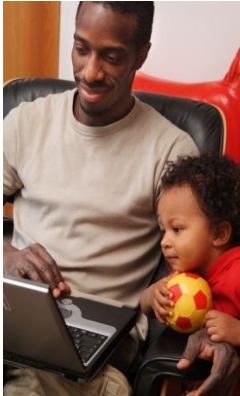
\$16.9 Million Dollars - The early care and education sector in Niagara County generates an estimated \$16.9 million dollars annually. This includes parent fees and government investments in early education.

2,747 Workers - The child care sector employs 3% of the total workforce in Niagara County.



The source of the information included in the above table is the New York State Office of Children and Family Services Child Care Facility System (CCFS) database.

The Importance of Investing in Child Care



Investment in Child Care benefits Niagara County's economy, supports businesses and workers, improves the quality of life in Niagara County and prepares our future workforce. Child care is an integral part of Niagara County's economic development plans.

Like roads and bridges, a high quality child care system is part of the infrastructure for economic development. Early care and education is important for brain development in children's earliest years, and it promotes school readiness.¹ Many studies have found that "high quality early learning and care is one of the most powerful weapons against crime."² Based on these facts children enrolled in a high quality early childhood program will be provided a strong foundation to help prepare them to become industrious adults if/when entering the workforce.

Reliable child care helps keep Niagara County businesses running. Parents who obtain high quality, reliable child care services are more productive and dependable workers.

Economic Development Strategies for Child Care in Niagara County

"Quality child care is expensive, but New York State has had the vision to do more than any other state in making it affordable through the state's refundable child and dependent care tax credit program. New York's employers also help with tax-free flexible spending accounts that allow workers to pay child care expenses with pre-tax dollars. These job creating tax breaks could be even more powerful with increased outreach to encourage their use."³



Niagara County currently assists 464 families from the State allocation of child care subsidy dollars. Niagara County has over 1,000 working parents on a waiting list to receive assistance through the child care subsidy program. These numbers indicate that only 32% of families eligible for subsidies are able to receive them, which indicates that this crucial source of help for working poor families must be expanded.

¹ Shonkoff, Jack and Deborah Phillips, ed. From Neurons to Neighborhoods: The Science of Early Childhood Development. Washington, D.C." National Academy Press, 2000.

² Brown, Jen, "The Link Between Early Childhood Education and Crime and Violence Reduction," www.econop.org/ECELinkToCrimeReduction.htm.

³ Cornell University Department of City and Regional Planning, "Executive Summary 2004 Investing in New York, An Economic Analysis of the Early Care and Education Sector."

Additional investments in child care are essential in order to strengthen business management practices, job retention rates and economic efficiency in other sectors and to maintain New York State child care businesses and their employees as a significant part of the Niagara County economy.

In Conclusion, the economic impact of quality child care is felt by everyone. Quality child care affects employers because it supports their workers who have young children, affects parents because a parent that has a reliable, quality child care program is a more relaxed productive worker and affects the community through the millions of dollars added by child care providers to the local economy.



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