

Child Care in Pennsylvania

2006 Fact Sheet

Why it matters?

For Children...

Children who participated in high-quality child care experience lower levels of grade retention and placements in special education classes.¹

Participation in high-quality early education and child care improves children's health and promotes their development and learning.²

Research demonstrates that higher qualified teachers with specialized early childhood training create better learning environments for young children resulting in better child outcomes.³

Compared to children on waiting lists, children receiving subsidies for child care were more likely to be in a formal licensed child care center, have more stable care, and have mothers who were more satisfied with their child care arrangement.⁴

For Families...

Subsidized child care assistance enables families to succeed in supporting themselves. Research has shown that low-income mothers whose children had participated in high-quality child care experienced more stable employment and higher earnings.⁵

Employers value quality child care because it creates more stability for employees. In a 2000 American Business Collaboration report, 63% of member employees reported improved productivity while using quality dependent care.⁶

Parents say that without a child care subsidy they

would either be working just to cover the cost of child care or they would have to go on welfare. High-quality child care is expensive and can represent a significant portion of a family's expenses.

- In Philadelphia, a two-parent working family making \$38,700 (both parents work full-time at \$10 per hour) with one pre-school child and one school-age child will spend 30% of the family's income on child care. Housing will take an additional 24.5% of income.⁷
- In Lehigh County, a two-parent working family making \$38,700 (both parents work full-time at \$10 per hour) with one pre-school child and one school-age child will spend 26.7% of the family's income on child care. Housing will take an additional 20.6% of income.
- In Indiana County, a two-parent working family making \$38,700 (both parents work full-time at \$10 per hour) with one pre-school child and one school-age child will spend 26.2% of the family's income on child care. Housing will take an additional 14.3% of income.

I think that it afforded me the opportunity to get good quality child care versus what I could possibly afford. I could afford child care, but it would not be the quality of child care that the kids had been accustomed to. We just talked about how the kids got a healthier start academically because they went to a top-notch child care facility.

South central region parent¹⁰

Where are we now?

- Approximately 110,000 children receive subsidized child care through Pennsylvania's Child Care Works on a daily basis.
- Pennsylvania's Keystone STARS is a nationally recognized child care program improvement, support, and recognition system. Nearly 65% of Pennsylvania's licensed child care centers and 29% of home-based providers voluntarily participate in the Keystone STARS quality improvement system.
- The T.E.A.C.H. program works with providers, colleges, and child care staff to offer scholarship programs and support systems that improve education and compensation of child care workers. Currently, 1,100 child care staff are participating in the T.E.A.C.H. scholarship program working towards Bachelor's degrees, Associate degrees and certification in Early Childhood Education.

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What is the unmet need?

There are nearly 8,000 children on the waiting list for subsidized child care.

Pennsylvania's ability to meet the TANF work participation rates is a challenging task. The impact on the subsidized child care demand in Pennsylvania could be substantial.

According to a 2005 Pennsylvania survey, 31% of child care programs reported problems with finding qualified staff that led to less child care being available in the last two years.⁸

There are an estimated 43,000 professionals working in Pennsylvania's regulated child care programs. Even though research indicates that professionals with higher credentials provide high-quality care and produce better child outcomes, only 60% of lead teachers in child care classrooms hold Bachelor's degrees or higher; just 18% of assistant teachers have more than a high school diploma. The average starting

salary for a lead teacher is \$8.87 per hour.⁹

While Pennsylvania's child care programs are increasing their level of quality, less than 9% of the child care programs participating in the Keystone STARS have met the highest criteria of quality.

The Administration's proposed \$6.1 million increase for the Keystone STARS and T.E.A.C.H. programs is insufficient to maintain the program elements at their current levels.

I'll tell you right now if I didn't have this there's no doubt in my mind I would have to quit my job. I would have to go on welfare. I would have to have public assistance coming out of every direction. I mean I don't make that much but what I make just gets me and my kids by and if it wasn't for this child care we'd have nothing.

Western region parent ¹¹

PPC Recommendations

Support the Governor's proposed \$59.5 million increase in child care subsidy and quality improvements, but the Governor does not go far enough:

- Increase the child care subsidy budget by \$14 million to eliminate waiting lists;
- Increase funding for Keystone STARS by \$10 million to provide technical assistance and supports that child care programs need to improve their quality.

Pennsylvania Partnerships for Children (PPC) is a strong, effective, and trusted voice for improving the health, education, and well-being of the Commonwealth's children.

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Citations

Information for this report came from the following sources:

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- ² American Academy of Pediatrics: Committee on Early Childhood, Adoption, and Dependent Care. (2005). Quality Early Education and Child Care From Birth to Kindergarten. *Pediatrics*, 115; 187-191.
- ³ Whitebrook, M. (2003). Early Education Quality: Higher Teacher Qualifications for Better Learning Environments - A Review of Literature. Berkley, CA: Institute of Industrial Relations.
- ⁴ Matthews, H. (2004). Child Care Assistance Helps Families Work: A Review of the Effects of Subsidy Receipt on Employment. Washington, DC: Center for Law and Social Policy.
- ⁵ Masse, Leonard N.; Barnett, W. Steven. (2002). A Benefit Cost Analysis of the Abecedarian Early Childhood Intervention. New Brunswick, NJ: National Institute for Early Education Research. Pp 26-30.
- ⁶ ABT Associates. (2000). *National report on work and family*. Cambridge, MA: ABT Associates.
- ⁷ The Self-Sufficiency Budget Worksheet. PathWaysPA, Philadelphia, PA. April 2006. <http://pathwayspa.org/bworksheet/>.
- ⁸ Greenberg Research Associates, Pennsylvania Child Care Association. (2006). 2005 Wage and Benefit Survey. Harrisburg, PA: Pennsylvania Child Care Association.
- ⁹ Ibid.
- ¹⁰ PA Child Care Campaign. (2006). Focus Group Report. [The voices of the parents in the paper are from Focus Group discussions with parents receiving subsidized child care conducted by the PA Child Care Campaign in four regions of the Commonwealth in the late 2005].
- ¹¹ Ibid.