

SNAPSHOT

OFFICE OF WORK & FAMILY LIFE

DEPARTMENT OF WORKFORCE SERVICES

1ST QUARTER 2006

In April 2005, the Office of Child Care, the Utah Commission on Marriage and the Utah Commission for Women & Families were combined to create the Office of Work & Family Life. In the past, the three groups operated independently. Recognizing that these entities share many common goals and values, the Department of Workforce Services brought them together under one umbrella: the Office of Work & Family Life.

Each of the three entities continues to act under its current rules, but some operations and management functions are now centralized. Cooperating as branches of the same tree, or members of the same family, strengthens these valuable groups and advances the initiatives of all three.

Evidence of this change is all around: communications materials refer to the Office of Work & Family Life, people are talking about the Office of Work & Family Life, and our website will soon reflect the change.

The Office of Work & Family Life currently has 14 employees. They are located in the downtown Salt Lake City DWS building and report to Director Lynette Rasmussen.

Working in concert, the three entities under the Office of Work & Family Life provide information, resources and support to help improve the

economic stability and well-being of Utah children and families. The Office of Work & Family Life supports families by helping them provide stable homes, and helping them access quality child care and afterschool programs. The Office of Work & Family Life supports child care providers by providing professional development programs and grants.

Our vision for 2006 is to champion quality, affordable child care for every child in Utah who needs it. Specifically, we intend to accomplish this vision by:

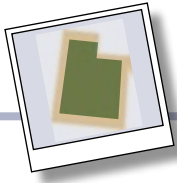
1. Ensuring Utah child care makes full use of available funding resources
2. Encouraging child care workers in their professional development
3. Improving awareness of the importance of Utah's child care industry

*If our American way of
life fails the child,
it fails us all.*

~Pearl S. Buck

*Children are one third of
our population and all of
our future.*

~Select Panel for the Promotion of
Child Health, 1981



Focus on the Economic Impact Study

In 2005, the Office of Work & Family Life commissioned an economic impact study. BBC Research & Consulting provided an extensive report on the state of child care in Utah, its supply; demand, and effect on Utah's economy. The results of this independent report greatly illustrate the need for high quality child care in Utah.

Some key findings are summarized below:

- Although Utah has the 11th highest household income in the United States, wage levels for the child care industry in Utah are very low, falling below the national average for workers in the same field.
- The gross household income made possible by use of paid child care generates about \$24 million per year in state income taxes—more than four times the amount of state funding provided to the Office of Child Care. This income also leads to additional state sales tax revenues.
- The \$24 million in state income taxes resulting from household income made possible by regulated child care also recirculates as the state government purchases local goods and services and pays its employees. The total economic impact of this financial stream is approximately \$38 million.
- Last year, State funds appropriated were only enough to access about 20% of the CCDF. With about \$3.3 million more, the State could have drawn down the full match, totaling nearly \$15 million dollars. The added impact to Utah's economy from the circulation of this additional money would have been approximately \$22 million.

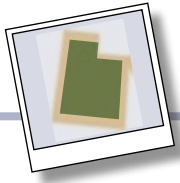
Why should we care about child care?

- ☑ **Today's children are tomorrow's adults.** Our future depends on the cognitive, social, and emotional preparedness of our children and youth. Children in high-quality child care demonstrate greater mathematical ability, greater thinking and attention skills, and display fewer behavioral problems than children in lower-quality care.¹ They stay in school and perform better academically.²
- ☑ **Quality child care makes good financial sense.** The child care industry is a major contributor to Utah's economy. Child care has an estimated ripple effect on Utah business to the tune of \$820 million dollars and 40,000 jobs.³
- ☑ **Quality child care services strengthen Utah's families.** Access to child care allows parents to stay at work and stay off the welfare rolls. Nearly half the people using paid child care in Utah say they would have to reduce their work hours or quit altogether if paid child care were not available.⁴

*~ Helping produce tomorrow's adults,
bolstering the economy today,
and providing independence for families
positively impacts all of Utah society. ~*

THE PERRY PRESCHOOL STUDY

A landmark, long-term study of the effects of high-quality early care and education on low-income three- and four-year-olds shows that adults at age 40 who participated in a preschool program in their early years are more likely to have graduated from high school, are more likely to hold a job, have higher earnings, and have committed fewer crimes.¹⁰



Study Conclusion:

The Economic Impact Study's findings indicate that a sufficient increase in State general funds for the Department of Workforce Services, enabling the drawing down of all available CCDF federal matching funds, would provide much-needed resources for child care programs. If these federal funds go unclaimed, they will go to other states. These additional funds could be used here in Utah for the following initiatives:

- 1) to support subsidized child care caseload growth (currently growing at 17% per year, and accelerating)
- 2) to increase the amount of child care subsidy available to working parents in Utah
- 3) to raise the income threshold for parents in need, and refine an income threshold system to allow for parents to move in and out of the program gradually
- 4) to foster the professional development of child care workers throughout the state.

These measures would improve the professional opportunities and wages of child care workers, and improve the quality, affordability, and accessibility of child care in Utah. Improving the quality, affordability, and accessibility of child care helps the Office of Child Care realize its vision of quality child care being available for every child in Utah who needs it.

\$1



\$17

A cost-benefit analysis indicated that for every ONE dollar invested in the child care industry, there is a SEVENTEEN dollar return for the economy. ⁹

Sources:

¹ Peisner-Feinberg, et al., 1999, "The Children of the Cost, Quality, and Outcomes Study Go To School"

² Schweinhart, et al., 2003 "High/Scope Perry Preschool Study"

³ BBC Research & Consulting, 2004, "Economic Impact of Child Care in Utah"

⁴ ibid.

⁵ ibid.

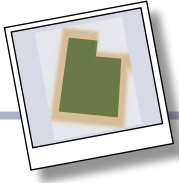
⁶ Utah Foundation, 2004, "Research Brief"

⁷ BBC Research & Consulting, op. cit.

⁸ ibid.

⁹ Reynolds, et al., 2002, "Long-Term Benefits of Participation in Title I Chicago Child-Parent Centers"

¹⁰ Schweinhart, op. cit.



A Snapshot of the Child Care Industry in Utah:⁵

There are 435 employment sectors in Utah.

Child care ranks:

46th in total employment (about 8,000 workers)

126th in annual gross receipts (about \$250 million)

433rd in wage level (\$7.24/hr for the average worker)

The great demand for quality child care in Utah will only continue to grow:

Utah has the **highest birthrate** in the country, the **youngest population** in the country, and the **second-highest ratio of school-age children to adults**.⁶

Quality, as well as availability, of child care is important to Utah's economy. High quality child care helps **reduce employee absenteeism and turnover**.⁷

Across Utah, availability or regulated child care **increases the gross earnings** of the labor force by about **\$480 million** per year.⁸

Questions about this document?
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