

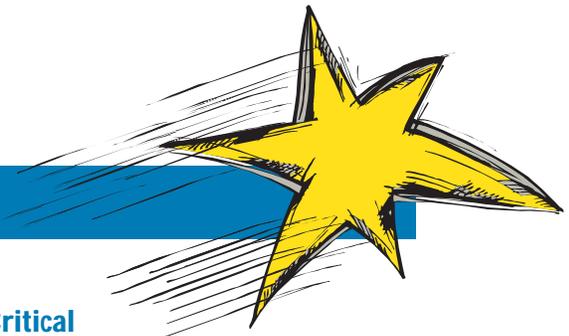
Investing in the Child Care Industry



The Economic Impact of the Child
Care Industry in Jefferson County

Executive Summary





Why invest in child care?

“Strong families are a precondition for competitive cities. The new city should therefore strive to lift all working families out of poverty and onto the path of self sufficiency.”

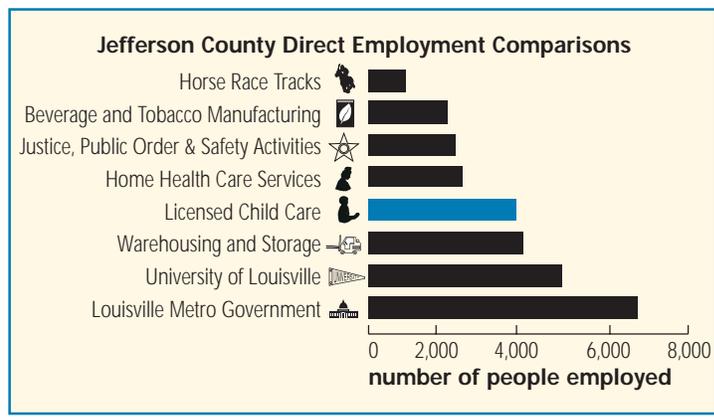
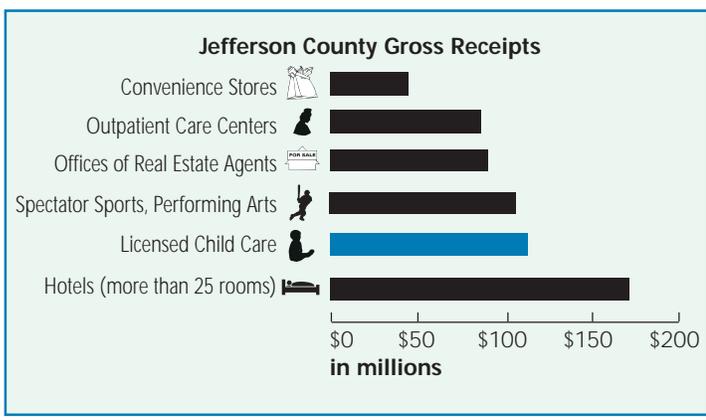
– Brookings Institute

Child Care – Critical Element of Economic Infrastructure

- ★ Like transportation, education and public works, child care is a necessary and vital part of the economic infrastructure
- ★ Investing in the child care infrastructure of the Louisville economic area has direct positive benefits for the region’s overall economic competitiveness
- ★ Increased earnings by adults who attended quality early education programs translate to a larger tax base

Child Care – Significant, Income Generating Industry

- ★ Licensed child care is a \$119.8 million industry in Jefferson County
- ★ The child care industry represents more than 500 small businesses in Jefferson County
- ★ Approximately 4,000 people work in the child care industry in Jefferson County
- ★ 67% of families in Jefferson County need child care to work or attend school/training
- ★ Child care gross receipts are more than the gross receipts taken in by spectator sports, the performing arts and legal gambling



"We understand the impact family demands can have on employee turnover and productivity. The bottom line is the bottom line – we're more productive, we limit our expenses, and attract better people to our team by being family friendly."

– Church Saufley, VP of Human Resources for Kentucky Lottery Corporation.

Child Care – Essential Component of Workforce Development

- ★ Investments in quality child care programs reduce future public expenditures and help the region to have a skilled and productive workforce now and in the future
- ★ Families in Jefferson County are able to earn \$977.4 million because they have child care
- ★ Quality child care increases children's ability

to enter traditional K-12 schooling ready to learn, and prepares them for future opportunities

- ★ Currently in Jefferson County almost 81,000 children ages 0 to 12 need some form of care because their parents are in the labor force

Return on Investment in Child Care

- ★ Federal Reserve Bank economists estimate that quality child care programs generate a 16% rate of return on investment, 12% of which is a public rate of return
- ★ A healthy child care industry helps businesses attract and retain the best employees and enable the state to attract and retain the best businesses
- ★ \$44.7 million is brought into Jefferson County through public/private child care assistance and investments for low-income families and child care initiatives

Recommended Investments



Businesses

- ★ Improve child care benefits to employees
- ★ Support and collaborate with traditional and non-traditional child care partners such as 4-C, Success By Six, GLI's Work/Life Alliance
- ★ Educate and influence fellow business leaders toward supporting child care initiatives

Government

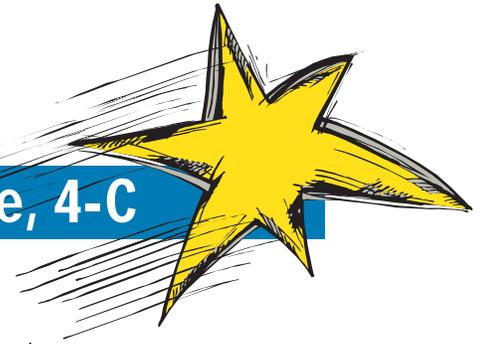
- ★ Make quality child care a vital component of Louisville's Metro Planning Commission's comprehensive plan
- ★ Pass tax credit legislation to support child care
- ★ Reduce zoning regulation barriers to child care
- ★ Designate government liaison between local government and child care industry

Community

- ★ Maximize the economic and political force of the child care industry
- ★ Increase the funding available to families for child care by contributing a dollar or two when you renew your motor vehicle registration
- ★ Advocate for improving child care quality as an essential component of GLI's "every one reads" initiative to ensure every student in the school system reads at grade level



Community Coordinated Child Care, 4-C



For over 30 years, 4-C has been the central point of contact for our community's child care needs. 4-C is a private, non-profit Metro United Way agency dedicated to improving the quality, availability, and accessibility of child care and early childhood development programs in the Kentuckiana area.

1215 S. Third St. Louisville, KY 40203
 502-636-1358
www.4cforkids.org

"A key strategy for the growth of the Louisville community is the attraction and retention of key talent. Access to quality, affordable child care is one very important aspect of Greater Louisville's quality of life."

— Steve Higdon, President/CEO of Greater Louisville Inc.

Since 1997 the National Economic Development and Law Center (NEDLC) has produced Child Care Economic Impact Reports (CCEIRs) in counties and states throughout the country. The CCEIRs articulate child care in economic development terms and quantify the ways in which the child care industry is critical to the local economy. Community Coordinated Child Care (4-C) partnered with NEDLC to form an Advisory Board of local and statewide leaders in the fields of business, government, child care, and economic development.

The publication, *The Economic Impact of the Child Care Industry Study*, was written by 4C, based on the findings from NEDLC. Other contributors include the Advisory Board to the report:

Judge Harry Berry, Judge Executive Hardin County	Carol Hensley, Director Main Street Business Association	Eileen Pickett, Vice President Greater Louisville Inc.
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The Economic Impact of the Child Care Industry Study was made possible through the generous financial support of Bisig Impact Group, Bob Henderson, Metro Government Council Member, District 14; Jefferson County Community Early Childhood Council and Metro United Way. For a full copy of this report, please visit www.4cforkids.org.

