The United States is the richest nation in per capita wealth in the world, yet we have the highest percentage of youth living in poverty of all the developed nations. This gap between the haves and the have nots is predicted almost entirely by success in school.

Research shows that far too many children enter school ill-prepared to learn, and that children who start behind usually remain behind. At the same time, studies consistently show that high-quality pre-kindergarten programs can close the learning gap of low-income children and those at risk of school failure. Support in these early years means a child is more likely to do well and remain in school, and to become a productive, law-abiding adult.

"Early learning begets later learning and early success breeds later success, just as early failure breeds later failure.”
— Nobel Prize-winning Economist Dr. James Heckman

Child care issues affect workers’ productivity
Employers recognize that the availability of quality early childhood programs is critical to the recruitment and retention of employees with children.

- Nearly 21,000 children in Denver need some form of child care so their parents can work.
- 80% of employers report that child care problems force employees to lose work time.
- Reliable early childhood care and education allows working parents to arrive at work on time, miss fewer days of work, be more productive on the job, and stay employed.

“Once we paid attention to the child care issue in the banks I ran, turnover went down. Making moms happier always benefits the employer.”
— Doug Price, former president of FirstBank and co-founder of Educare Colorado

Child care costs are prohibitive
Because of the high cost of early childhood programs, the low-income children who need early childhood education the most are the least likely to be enrolled.

- Full-day early childhood care and education costs from $6,000 to $10,000 a year—two to three times as expensive as in-state college tuition.
- Welfare-to-work reforms are compromised without affordable child care for working parents.
- Federal assistance programs, such as Head Start and the Child Care Assistance Program, continue to fall far short of demand. In Denver, hundreds of children are turned away.

Invest in Success
Economic Implications of Early Childhood Care and Education
“In today’s world, where education and skill levels determine future earnings, the economic and social costs to individuals, communities, and the nation of not taking action on early childhood education are far too great to ignore, especially when the benefits far outweigh the costs.”
— The Business Roundtable, May 2003
Child care often comes only behind the house payment as a family's largest expense.

**ECE Is Expensive for Most Family Types**

*Annual Family Expenses for One Adult and One Preschooler Living in Denver on “Sustainable Wage”*

![Circle graph showing annual family expenses]

**Pay now or pay more later**

Investing in early childhood programs prevents having to pay more for expensive interventions later on.

- For every $1 spent on early childhood care and education now, between $4 and $9 are saved later in costs for special education services, health care, and incarceration.
- Denver pays twice as much to incarcerate a prisoner for one year as it does to send a toddler to a quality early childhood program.
- School districts can save $11,000 for each child that attends a quality early childhood education program due to decreased special education and remediation costs.

“The return on investment from early childhood development is extraordinary, resulting in better working public schools, more educated workers, and less crime.” — Art Rolnick and Rob Grunewald

**Funding challenges**

To be effective, early childhood education must be of high quality; simply increasing participation without ensuring program quality will not produce positive results. At the same time, early childhood programs must be affordable to be fully utilized.

- 8 in 10 early childhood care and education programs are poor to mediocre.
- Because of the low pay, the ECE industry experiences a 60% annual turnover rate.

To fund a quality statewide half-day preschool program for 4 year olds would cost an estimated $160 million annually.

**What Might Quality Cost for Colorado Children Currently in ECE?**

![Circle graph showing cost breakdown]

**Conclusion**

The benefits that come from early childhood development programs far outweigh their costs. By adequately funding early childhood care and education, we can improve school success and increase economic productivity. Meanwhile, we save not only remediation and incarceration costs, but valuable human potential.

“Society pays in many ways for failing to take full advantage of the learning potential of all its children — from lost economic productivity and tax revenues, to higher crime rates, to diminished participation in the civic and cultural life of the nation.” — The Committee for Economic Development

**Bibliography**