

POSITION STATEMENT ON CHILD CARE AND EARLY EDUCATION

Background

A member survey conducted by the Chamber and GBIC has found that enhancing access to quality child care programs in order to improve employee productivity and retention is supported by 78% of the chief executive officers surveyed in 2005. In Vermont, it is estimated that one in nine workers has a child under the age of six and one in three workers have a child under the age of 18. Furthermore, the State of Vermont estimates that there are 38,000 Vermont children enrolled in formal child care programs. (Source: Vermont Department of Children and Families, January 2003)

Nationally, 59% of children under six live in households in which all parents are in the labor force. In Vermont, this is true for 68% of children under the age of six, over 27,000 children in all. Based upon U.S. Census statistics, 56% of the nation's children under five are regularly cared for by someone other than a parent during their parents' work hours. Furthermore, in a 1998 study of employers' best practices for child care, the U.S. Department of Labor has found improved employee recruitment rates, higher retention, better morale and lower absenteeism rates in companies that provide child care benefits than those that do not.

Rationale

The members of the Lake Champlain Regional Chamber of Commerce and GBIC believe that providing high quality child care and early education environments for all Vermont children is an essential investment for the present and future of our state. We also recognize that parents are their children's first and most important teachers and this role should be respected and supported. Reliable, high quality child care and early education is a basic need that enables Vermont workers to be productive and dependable. Furthermore, it provides a solid foundation for school readiness and ensures the success of children who are the workers of our future.

Economically speaking, a high quality of life depends on many factors including early childhood development. In the 2004 Long-Term Strategic Economic Development Plan for the Greater Chittenden County Region prepared for GBIC, a diagram known as the "Circle of Prosperity" includes early childhood development as an attribute of a superior quality of life. High quality early childhood programs help to attract and retain a talented workforce, thus increasing regional income and opportunity, allowing investments to increase the quality of life.

The Chamber and GBIC support the collaborative efforts of the Vermont Department for Children and Families, the Vermont Department of Education, and other public and non-profit organizations to improve access to quality of child care and early education programs.

Priorities

The Chamber and GBIC's priorities for child care and early education are as follows:

- Support state, regional, and local efforts to improve the availability, quality, and affordability of child care and early education programs through comprehensive statewide and regional planning as proposed by the Vermont Alliance for Children and required by the thirteenth goal of the Regional and Municipal Planning Statute. (Title 24, Chapter 117).
- Work toward a system in which state child care subsidy reimbursement rates match the regional tuition rates paid by parents for children in child care, as tuition rates differ significantly across the state.
- Work toward a system in which the state child care subsidy income eligibility scale reflects the amount families can afford for quality child care, given regional costs of living.
- Promote efforts to improve program quality, affordability, and sustainability by providing financial incentives for program accreditation and teacher credentialing through public/private partnerships.
- Assure that tax advantages provided through the dependent care tax credit are fully utilized by families and encourage businesses to offer employees opportunities to pay for child care with pre-tax earnings.

Actions

To make progress toward these priorities, over the next year, the Chamber and GBIC will work in collaboration with the public and private sectors to:

- Actively participate in the development of long-term local and regional plans for early child care and education including those proposed by the Early Childhood Council of Chittenden County and the Chittenden County Regional Planning Commission. Include an examination of population trends, desired outcomes, and current services. Assist in the development of an action plan based upon broad input from stakeholders and the public.
- Develop options and recommendations for addressing the current short-comings of the child care subsidy system and estimate the cost for improving this system. We recognize that the state has limited financial resources, but believe that it is important to define the amount of financial resources needed.
- Actively work to encourage further development of public/private partnerships between schools and child care and early education programs and assist in efforts to measure related outcomes of these partnerships and their impact on kindergarten readiness.
- Develop a plan to assess the extent to which families and businesses know about and use tax credits and pre-tax options to increase the affordability of child care.

Adopted by Chamber and GBIC Executive Committees on October 17, 2005 and Chamber Board on October 26, 2005.