

And an Unmet Need

Tulare County's reliance on agriculture and food processing is the reason it's so rich, and the reason it's so poor.



The agricultural base of Tulare County produces often-seasonal, lower-paying jobs, with no health care.

Tulare County families tend to be larger, and 50 percent of all households have children ages 0 to 17. About 32 percent of households

with children under 18 are single-parent households.

One in three children live in poverty.

Operating hours for child care programs often don't match the need, and 30 percent of programs offer only partial-day care.

Access to child care is limited by transportation, and non-English-speaking parents struggle to find bilingual care providers.

Demand for subsidized child care is 48 percent higher than supply. The Centralized Eligibility List carries the names of nearly 9,000 children seeking subsidized care.

The child care industry can support the productivity of Tulare County's key industries by allowing parents to go to work. But Tulare County's demographics mean the demand for care (especially subsidized care) is high and the need is unmet.



"Because skills are accumulated starting early and over time, investing in young children is an investment in future productivity."

James Heckman, *Nobel laureate economist*



Child Care in Tulare County:

An economic engine ...

A key to economic development ...

And a critical unmet need



Support for this report was provided by:



Jim Vidak, County Superintendent of Schools

TULARE COUNTY
BOARD OF
SUPERVISORS



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"Businesses that support their employees' child care needs are laying the foundation for a better community – a foundation built for productive families and successful children."

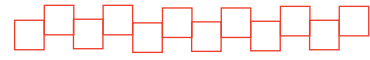
Jim Vidak, *Tulare County Superintendent of Schools*

"During difficult financial times, affordable child care is a major concern for working families. Whatever business can do to make child care more affordable and accessible is a tremendous benefit to families."

Steve Worthley, *Chairman, Tulare County Board of Supervisors*

Child Care in Tulare County: A \$211.5 million industry

An economic engine ...



Tulare County's licensed child care establishments serve 14,020 children, employ 2,100 people directly and another 250 indirectly.

The result of their labors is an injection of \$211.5 million into Tulare County's economy. As part of the impact, \$87.2 million is brought to Tulare County in the form of federal and state transfer payments.



This \$211.5 million economic impact makes the child care industry a significant driver of Tulare County's economy. For each \$1 million in demand for licensed child care, 16 jobs are created directly, and 3 jobs are created in other local industries. These supported industries include transportation, health services, eating and drinking places, and business services.

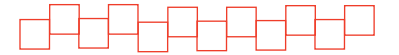
Child care ranks 13th out of 25 industries for total output, and 11th in total payroll. Excluding agriculture and food processing industries, child care ranks 2nd out of 11 industries for total output and total payroll.



The industry is a significant contributor to Tulare County's economy, but the demand for care outpaces the supply, particularly for subsidized child care. Demand today is 48 percent higher than supply.

Lack of affordable and reliable child care not only prevents some parents from entering the work force, but it impacts productivity, absenteeism and turnover. The shortage of affordable care is a cost to local businesses.

...A key to economic development



Current trends suggest that Tulare County's unemployment problem will remain chronic.

Tulare County added 11,700 new jobs since 2000, but the labor force grew by 33,600. Job losses between 2008 and 2009 hit 5,400, with the heaviest losses in professional services and retail.

On average, Tulare County is adding only 1,300 jobs per year, compared to about 3,730 new labor force entrants.

Because 75 percent of the demand for child care is work-related, helping parents find affordable child care can help address Tulare County's unemployment problem. However, the availability of care is also an essential tool for economic development.

State and local governments use various tools including investments in education, workforce development, research and technology funding, tax credits, loans and other forms of business assistance to strengthen and diversify the local economy.



Public investment in the local child care infrastructure provides benefits in terms of both economic and community development. Local investment in licensed child care creates several key benefits, including:

- Increased local employment through direct and indirect job creation
- Increased labor force participation that contributes to personal income, business formation and local revenues
- Quality care helps reduce drop-out and crime rates, reduces the need for child abuse intervention and improves school readiness.

Affordable, accessible child care helps make it possible for parents to work.

It is an economic development tool by supporting the creation of new jobs and wealth. It helps support a stronger, healthier labor force for Tulare County's future.

