

EMERGENCY COALITION TO SAVE CHILD CARE

For Immediate Release

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Advocates, Councilmembers Hail Final Budget Resolution on Child Care

257 classrooms, thousands of family child care provider slots saved

Councilmembers and child care advocates praised the City Budget voted on by the City Council today as a tremendous win for New York City's low income working parents and their children, pointing to the continuation of viable child care options in September. The budget includes a total of \$82 million in restorations from the doomsday budget released in February, restoring 257 classrooms and thousands of family child care provider slots and ensuring that 6 child care centers slated to close will remain open.

"I am thrilled to see that the Mayor and City Council have worked together to ensure that child care remained a priority in our City's budget, even in tough economic times," said **Annabel Palma, Chair of the City Council General Welfare Committee**. "Parents, advocates, and my fellow City Council members fought every step of the way to make certain that our city's children have access to safe, affordable care. We will continue to work with the Administration and advocates to find creative solutions so that no child goes without the care they deserve."

"With this restoration, Speaker Quinn, the City Council and the Mayor have sent the message that child care for our city's working families is indispensable," **Lew Fidler, Chair of the City Council Youth Services Committee**.

"I am proud that the budget adopted today saves 6 beloved child care centers, including two in my district, and restores other childcare services that the families and children in communities throughout the city rely on every day," said **Council Member Stephen Levin of Brooklyn**.

"This budget agreement has saved thousands of jobs for families who rely on child care services and those child care workers who teach our children each and every day," said **Andrea Anthony, Executive Director of Day Care Council of New York, a member of the Emergency Coalition to Save Child Care**. "Hundreds of community-based organizations throughout our city will now be able to continue doing what they do best – giving young children an essential foundation for lifelong success. We can't thank the Mayor, Speaker Quinn, and Council members Palma and Fidler enough for their leadership and commitment to helping low-income families maintain economic stability during a very critical time in our City."

"Although it contains some painful cuts, the budget passed today is much better for our City's working families than the May Executive Budget and a tremendous amount better than the initial budget

presented in February – thanks to the leadership of many of our elected officials, including Mayor Bloomberg, Council Speaker Christine Quinn, Council Finance Chair Domenic Recchia, Jr., Council General Welfare Committee Chair Annabel Palma, and Council Youth Services Committee Chair Lewis Fidler. Without child care, New York parents struggle to keep their jobs and provide for their families - and numerous studies have found that children that start behind stay behind. We're grateful that our City leaders recognized the importance of child care even in this difficult budget year," said **Nancy Wackstein, Executive Director of United Neighborhood Houses, a member of the Emergency Coalition to Save Child Care.**

"Parents, providers, advocates, and every day New York City citizens made their voices heard—writing thousands of letters and emails and making countless calls to the Mayor and City Council members, urging them to Save Child Care! Their voices were heard! We are so grateful that New York City's elected officials came together to adopt a budget that enables so many low income working parents and their children to continue to access child care," said **Stephanie Gendell, Associate Executive Director of Citizens' Committee for Children, a member of the Emergency Coalition to Save Child Care.**

ABOUT CHILD CARE

The Mayor's initial budgets contained significant cuts to child care. In February, he planned to cut child care subsidies from 17,000 children, as well as close 257 classrooms and 6 centers. In his May budget, 7,000 fewer children from low income working families would have had access to child care and school age children would not have had viable options for care. These cuts were a dramatic reversal of the City's promise to expand early learning opportunities for our children.

IMPACT ON CHILDREN

Children pay the biggest price for cuts in child care services. According to many studies, including The Productivity Argument for Investing In Young Children, early childhood learning opportunities lead to more positive outcomes later in life. Children who attend quality early childhood programs are more likely to graduate from high school, less likely to be involved in crime and less likely to become teen parents.[1]

IMPACT ON WORKING PARENTS

Child care is the single most important factor keeping single mothers in the workforce. Research has shown that child care subsidy programs increase employment rates for single mothers[2]. Federal welfare reform was accompanied by a massive ramp up in support for child care which was a key part in moving more New Yorkers from welfare to work. Many parents, especially single mothers, have reported that they would be unable to work without child care assistance. The costs of child care are prohibitive and for many, without a subsidy, it does not pay to work. Despite all of the rhetoric about helping people become employed and stay self-sufficient, these cuts will lead to many parents leaving the workforce and becoming more reliant on government supports, such as health insurance, food stamps, unemployment or public assistance.

IMPACT ON NEW YORK ECONOMY

Studies have shown that every \$1 cut from child care leads to a \$1.86 loss in economic activity, and that child care and early learning programs save hundreds of millions of dollars in future costs for remedial education and lowered high school graduation rates.[3]

Cuts to child care lead to a higher need for other government programs such as health insurance, food stamps, public assistance and unemployment benefits. Many parents determine that the high cost of child care exceeds their income, and they are unable to go to work because they have nowhere safe for their children during the day.

[1] Heckman, James & Masterov, Dimitriy. The Productivity Argument for Investing in Young Children. October 2004. Bruner, Charles. Many Happy Returns: Three Economic Models that Make the Case for School Readiness. 2004. Cornell University, Investing in New York: An Economic Analysis of the Early Care and Education Sector. 2004.

[2] Chris Herbst, The Labor Supply Effects of Child Care Costs and Wages in the Presence of Subsidies and the Earned Income Tax Credit <<http://www.springerlink.com/content/m614275597461577/fulltext.pdf>> , 8 Rev. Econ. Household 199 – 230 (2010).

[3] IMPLAN, 2000 database, generated by Mildred Warner, Department of City and Regional Planning, Cornell University.

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