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## **Child-care reports call for backing from business**

**Daniel S. Levine**

Child care is not a social service but a vital component of the region's economic infrastructure, and business and government must start thinking of it that way or face a looming crisis, according to two new studies.

The studies — one from the Alameda Childcare Planning Council focused on child care in Alameda County and the other from the Contra Costa Child Care Council focused on Contra Costa County — define the economic role child care plays in the local economy.

The reports come as the projected growth in population and jobs in the years ahead threatens to exacerbate a shortage in available child care and as California's budget crisis is expected to lead to cuts in state subsidies.

"We're hoping the business community will begin to see child care as important to the work they are interested in and understand without a solid child-care system people with children can't work," said Kate Ertz-Berger, executive director for the Contra Costa Child Care Council, a state-funded resource and referral agency.

### **Child Care Inc.**

The reports surprised even some professionals involved in child care about how large an industry it is in terms of revenues and direct employment. Within the two counties, the industry employs more than 13,000 people and generates more than \$575 million in revenue annually.

More importantly, the industry plays a critical role in allowing parents to work. Statewide, licensed child-care providers allow Californians to earn an estimated \$13 billion annually, which in turn fuels additional labor income, production and tax revenue for the economy.

Angie Garling, coordinator of child care for Alameda County, said it's critical to change the way businesses think of child care.

"They don't think of it as enrichment or educational, they think of it as baby-sitting and haven't thought of it as essential to the economic engine of local counties," she said. "What we try to do with these economic impact reports is change the way people think about child care as an essential service that allows people to be productive, tax-paying citizens."

Child-care providers throughout the Bay Area say the reports highlight problems and issues that exist throughout the region. Though the weak job market is helping child-care centers counter a shortage of workers, the low wages in the industry continue to make it difficult to attract and retain qualified people.

At the Old Firehouse School in Lafayette, Executive Director and owner Dorothy Stewart said she is fully staffed this year, but in each of the past two years she's had to close classrooms because she was unable to find qualified people to staff them.

"When the economy is booming, there are so many jobs for people that ... we can't afford to pay people enough to keep them. When the economy was flying, people were leaving the field in droves," she said. "Parents can't afford to pay more. We've got to get public funding in this field. It's just not going to survive without it."

Child care in the Bay Area represents low-wage work in a high-cost-of-living region. The average annual wage for hourly child-care workers in the East Bay is about \$20,500.

"At some point we are going to have to get serious about increasing the public investment in child care to address the compensation of child-care workers. There's a direct correlation between how well the work force is compensated and the supply available," said Ertz-Berger of the Contra Costa Childcare Council. "If we are going to get serious about stimulating the economy, we are going to have to get serious about investing in child care."

#### **Tough sell**

The industry's call on businesses to do more may be a tough sell.

"The challenge is that in the current economic state a lot of businesses have their plates pretty full," said Jim Jakel, executive director of the Contra Costa Council, a public policy organization that provides input on issues affecting the economic vitality of Contra Costa County. "

In addition to making investments to improve child care affordability and accessibility, the reports advocate treating child care like other critical infrastructure such as transportation and housing, making it a part of long-term city planning and forming collaborations among businesses to implement strategies for improving child care benefits for working parents.

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