

Newark

Child Care Industry

The City of Newark's child care industry provides a social and economic infrastructure that is critical to the City's overall economic vitality and quality of life. In 2001, the industry generated almost \$12.4 million in revenue, while supporting approximately 462 local jobs. In addition to 265 people employed directly in child care homes and centers, an additional 197 jobs (in construction, retail, manufacturing, etc.) are supported by the existence of the local child care industry.¹ These jobs bolster the local tax base, while providing a necessary service that enables other Newark businesses to thrive. In addition, child care helps sustain the City's growing workforce by enabling parents to take new jobs, stay in existing jobs or training programs, or return to work after an absence.

Despite the child care industry's contributions to the local economy, Newark suffers from a shortage of licensed child care slots. This is particularly true for infant care, where supply meets only an estimated 39%-68% of demand.

What You Can Do

Local governments and businesses can play a critical role in strengthening the infrastructure for high-quality child care in their communities. For example:

- **Contribute to the Alameda County Child Care Fund for child care facilities;**
- **Include child care in city and economic development planning efforts;**
- **Review and mitigate the impact of major new commercial and residential developments on child care.**

For more information, call 4 C's at (510) 584-3119 or the Alameda County Child Care Planning Council at (510)208-9578 or (510) 208-9675, or visit www.acgov.org/childcare/index.shtml

Demographics

Newark is a growing city

Population⁴

Residents 42,471
 Children under 14 9,018

Age breakdown:

Infant (0-2) 13%
 Preschool (2-5) 28%
 School-Aged (6-13) 59%

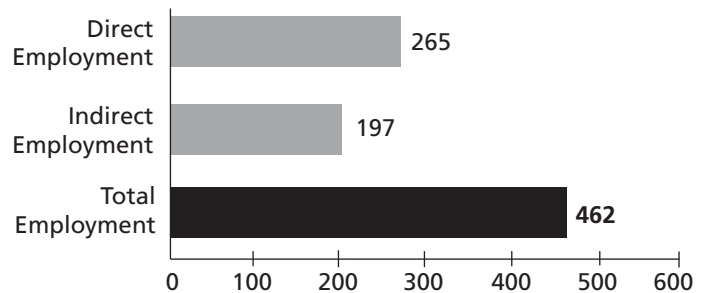
Children as percent of total population 21%

Expected population change by 2010⁵ 11%
 (4,600 new residents)

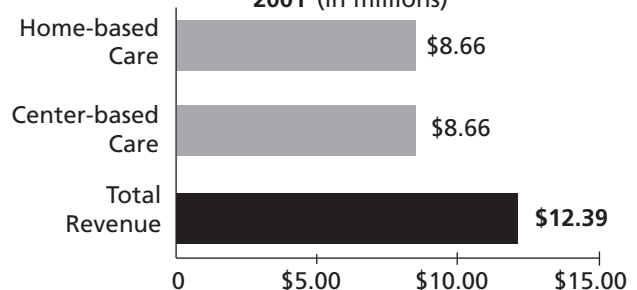
Family Economics⁶

Median family income \$71,351
 Median home value \$303,700
 Median monthly rent \$1,093
 Poverty rate among children under 18 5.7%
 Families with income less than \$35,000 . . . 16.2%
 Children receiving public assistance⁷ 1,051

Jobs Created by the Newark Child Care Industry in 2001²



Revenue Generated by the Newark Child Care Industry in 2001³ (in millions)



1. Based on employment multiplier for child care developed by the U.S. Department of Labor, Bureau of Economic Analysis. 2,3. Based on data provided by 4 C's, calculations by Alameda County LINCC. 4. 2000 Census. 5. Projections 2000, Association of Bay Area Governments. 6. 2000 Census. 7. Alameda County Social Services Agency (includes CalWORKs, MediCal, and Food Stamps).

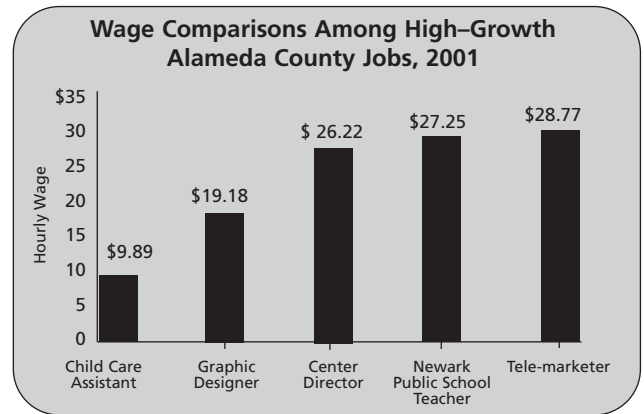
Child Care Workforce

Child care workers are underpaid

2001 Average Annual Salaries¹

Child Care Assistant in South County	\$19,780
Child Care Teacher in South County	\$30,260
Child Care Director in South County	\$52,440

Child care workers are more highly educated on average than workers in other industries, yet their salaries fail to reflect their level of education or responsibility.²



This graph compares "high" child care wages in the southern region of the county to other Alameda County occupations. The latter are mid-level wages based on "some experience" and/or "new to the firm." (Occupational Outlook, 2001, www.calmis.cahwnet.gov).

Teacher salary information is from 2000-2001 California Department of Education Certified Teacher Salary Profile, average schedule salary paid (hourly wage calculated based on 40 hrs/wk, 52 wks/yr).

Child Care Cost

Child care is a significant portion of family income

Annual Child Care Costs in Alameda County

	Family Child Care Home	% of Median Income	Child Care Center	% of Median Income
Infant (under 2 years) ³	\$7,349	10%	\$10,891	15%
Preschool (2-5 years) ⁴	\$7,079	10%	\$7,843	11%
School-Age (6-13 years) ⁵	\$5,218	7%	\$5,115	7%

These costs are for one child. The consensus among experts is that 10% of a family's household income is the most families can "afford."⁶

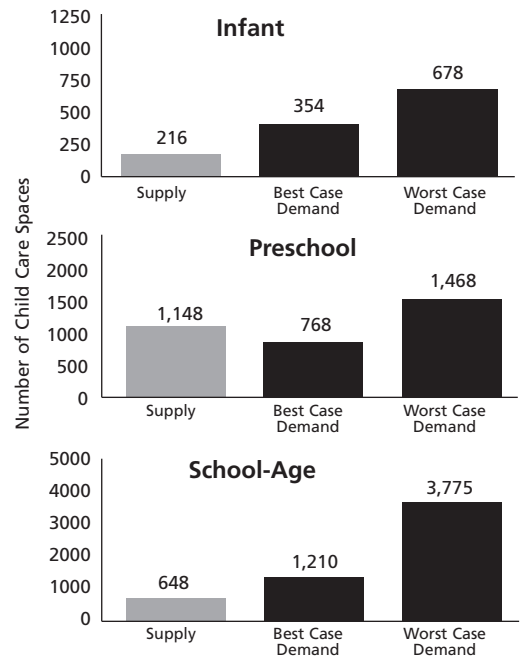
In Alameda County, the cost to send a preschooler to full-time, center based care is nearly double the cost of tuition for two semesters at the University of California, Berkeley. For an infant, the annual cost of full-time, center based care is almost three times the cost of tuition.⁷

Child Care Capacity

Newark's demand exceeds supply

Demand for licensed child care in Newark is greater than supply. Newark has a total of 2,012 licensed child care slots, with shortages for infant and school-age care.

- **Demand Estimates:** Determining the true demand for child care is difficult because it is often unclear whether parents' choices reflect their true preferences or result from location and cost constraints. Therefore, these charts illustrate the gaps in Newark's child care supply by age group using two methodologies:
 - **Best Case:** This conservative estimate calculates demand based upon statewide utilization patterns for different provider types and income levels.
 - **Worse Case:** This broad estimate assumes that all families in which both parents or a single-parent-head-of-household works would demand licensed care.
- **Supply:** This is the total number of licensed spaces in a child care center or family home that are regulated by the state, according to 4 C's, the local child care resource and referral agency.



1. Based on "high" salaries in South County for each position. A Profile of the Alameda County Child Care Workforce 1995-2001. 2. A Profile of the Alameda County Child Care Workforce 1995-2001. 3,4. Assumes full-time care for 12 months; California Child Care Resource and Referral Network Survey of Regional Mean Market Rates, 2001. 5. Assumes full-time care for 3 months (summer) and part-time care of 9 months (school year). 6,7. Alameda County Child Care Needs Assessment, 2002.