Fully Funding Connecticut Early Care Would Generate More than $13 Billion in Economic Activity, Report Finds

Early Childhood Programs Improve Education Outcomes, Bolster Employment

NEW HAVEN – In a new study, Connecticut Voices for Children analyzes the economic impact of early care and education programs in Connecticut. Their analysis concludes that providing enough high-quality child care to meet Connecticut’s needs would generate $13.4 billion in long-term benefits to the state.

Early care and education programs have proven to be the most effective policies for improving the lifelong outcomes for children. Attending high-quality early care programs leads to higher educational achievement in later years while reducing expensive social ills, like chronic health problems or crime. These improved outcomes translate to a direct positive impact on the economy as a whole in the form of increased wages and productivity, and lower spending on social services.

Connecticut Voices for Children warns that the state is currently underfunding early care and education. Connecticut does not offer enough slots to serve all children and families in the state. Care 4 Kids, the state’s main child care subsidy program for low-income families, is closed to new enrollments due to a $33 million shortfall. All current budget proposals would keep the program closed. The report estimates that keeping Care 4 Kids closed will cost Connecticut’s economy $82 million in long-term benefits for the state.

“Research shows that every dollar spent today on early care and education programs generates $7.30 on the long run thanks to improved school achievement, better job prospects, lower crime rates, and lower social services needs,” says Daniel Long, Research Director at Connecticut Voices for Children. “Early care programs create opportunity not just for children, but also for their parents, allowing them to work, creating a more stable family environment for the child.”
The report points out that taking steps to improve program quality would also have a considerable economic impact, with a $2.35 billion positive impact for the state economy. A second report in this series will examine what it takes to provide high-quality programs.¹

“Early care and education must be at the center of our state’s long-term strategy for strong, equitable growth,” says Ray Noonan, Associate Policy Fellow at Connecticut Voices for Children. “These policies are key both for creating opportunity and for future economic growth.”

About Connecticut Voices for Children: Connecticut Voices for Children is a research-based child advocacy organization working to ensure that all Connecticut children have an equitable opportunity to achieve their full potential. In furtherance of its mission, Connecticut Voices for Children produces high-quality research and analysis, promotes citizen education, advocates for policy change at the state and local level, and works to develop the next generation of leaders.