

THE TIME IS NOW

A Business Case for Early Childhood Education and Care

CHANGE THE FIRST FIVE YEARS, AND YOU CAN
CHANGE EVERYTHING.

Young children are New Mexico's greatest resource.

When families and young children have access to opportunities that support their wellbeing and positive early learning experiences, communities are economically stronger, smarter, and healthier.

High-quality care and education feeds a baby's growing brain, building the foundation necessary for them to develop and thrive as adults.¹ Plus, it supports families to be stronger and happier.

Our economic success as a state is directly tied to high quality early education and care.

Now is the time to make a difference for our communities and future generations.

We need sustained, increasing investment in early childhood education and care because:

- It has the highest proven return on investment possible for society.
- It is an industry that has experienced significant underinvestment. It has long been considered 'women's work' and suffered from a corresponding pay gap.
- A strong stable industry means people can return to work, and families can access high-quality and affordable early childhood education and care.



A STRONG RETURN ON INVESTMENT

Eighty-five percent of the human brain develops in the first five years. This is a critical time to establish a solid foundation for children and their families.

- Research shows that frequent positive early experiences and interactions, combined with family stability, are critical to future academic outcomes, employment, physical health, and mental well-being.

Investments in high-quality early childhood programs provide taxpayers with an **annual return of \$6.30 for every dollar invested. This return has compounding benefits, with a 13% per year return on investment** through better education, health, social and economic outcomes later in life.²

THE WORKFORCE BEHIND THE WORKFORCE

Early childhood care and education professionals are the ‘workforce behind the workforce.’ Without reliable and high-quality early childhood education and care supports, employers and families often struggle in the workforce and to make ends meet.

- Every year, **U.S. families lose out on \$8.3 billion** in wages due to lack of child care. U.S. businesses lose \$3 billion annually due to employee absenteeism resulting from child care issues.
- The poverty rate for early educators in New Mexico is 27.4%, more than twice as high for New Mexico workers in general.
- By the fall of 2020, there were roughly **1.2 million fewer parents** in the workforce. And 900,000 of these parents were women.³
- More than two years after the start of the pandemic, the child care workforce continues to operate below pre-pandemic levels (a loss of 100,000 workers, or 10%, nationwide).⁴

A TIME OF GREAT PROMISE

With the creation of a new cabinet-level Early Childhood Education and Care Department, New Mexico has laid the **foundation for a strong system** of early care and education supports for families.

With new and dedicated funding sources for young children, including the Early Childhood Trust Fund and the Land Grant Permanent Fund, **New Mexico has an unprecedented opportunity** to fulfill a decades-long promise.



New Mexico has a chance to make a lasting impact in the lives of children and families and ensure our state is a better place to raise a family. More than 70% of voters supported use of the Land Grant Permanent Fund for early childhood, which means there is strong public support for improving systems to better serve families.

Investing in high-quality, affordable early childhood education and care is an opportunity to make a powerful commitment to our youngest generation AND to our future workforce.

Advancing an efficient and effective system that is responsive to families and businesses, includes **removing the high regulatory barriers to accessing child care assistance.**

New Mexico has received national recognition for recent early childhood initiatives, **yet there is much more to do.** New Mexico is ranked 50th in the 2022 KIDS COUNT national rankings and 49th in the 2022 Chance-for-Success Index.

1. Phillips, D. A., & Shonkoff, J. P. (2000). *From Neurons to Neighborhoods: The Science of Early Childhood Development*. <https://www.nap.edu/catalog/9824/from-neurons-to-neighborhoods-the-science-of-earlychildhood-development>
2. Heckman, J. (2016). *The Heckman Equation*, "Quantifying the Life-cycle Benefits of a Prototypical Early Childhood Program." https://heckman-equation.org/assets/2017/12/abc_comprehensivecba_JPE-SUBMISSION_2017-05-26a_sjs_sjs.pdf
3. Tedeschi, E. (Oct. 29, 2020). *The Mystery of How Many Mothers Have Left Work Because of School Closings*. <https://www.nytimes.com/2020/10/29/upshot/mothers-leaving-jobs-pandemic.html>
4. Goldstein, D. (Oct. 13, 2022). *Why You Can't Find Child Care: 100,000 Workers Are Missing*. <https://www.nytimes.com/2022/10/13/us/child-care-worker-shortage.html>

NEW MEXICO'S PATH FORWARD

BI-PARTISAN VOTER ACTION

Constitutional Amendment 1 passed with more than 70% of the vote, a show of tremendous support to provide increased and sustained early education and care.



GUIDING FINANCE PRINCIPLES

- **Sustaining, responsible, and secure funding** to support New Mexico's youngest children and working families.
- **Professionalization of early childhood education and care workforce**, including higher pay and clear credentialing.
- **Leveraging New Mexico's mixed-delivery system** by supporting vibrant community-based and public school early childhood education and care opportunities.

2023 STRATEGIES

Support expanding access to high-quality early childhood services for families

- Expand New Mexico PreK to better support children and families.
- Support voluntary and universal home visiting.
- Streamline administration to be easy, transparent and efficient for families and businesses.
- Ensure multilingual materials and communications.

Advance plans to raise wages and professionalize the early childhood workforce

- Provide consistent and dependable funding to enact sustainable and long-term wage increases.
- Reward experience and educational attainment, to attract and retain a qualified workforce.

Promote a strong, stable early childhood industry

- Increase investment with predictable and sustainable funding streams.
- Remove unnecessary barriers for early childhood businesses, particularly for child care assistance contracts.



ACTION STEPS

Call or meet with your legislators to tell them why early childhood matters to you and why investments are needed.

Write a letter to a local newspaper explaining why you think New Mexico should prioritize investments in early care and education.

Organize with other businesses to advocate and/or develop solutions for business leaders to support early care and education.

Contact Growing Up New Mexico for ideas specific to your legislative district, at engage@growingupnm.org or 505-982-2002.