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Thank you, Senator Lassa and Committee members for this opportunity to talk to you about the importance of early education in Wisconsin. I am not a researcher, but I come to you with 38 years of experience in the trenches of early care and education. My experience includes teaching in elementary schools, teaching and directing in child care centers, 20 years in Wisconsin state government, and four years consulting with other states. I'd like to give you my perspective on early education in Wisconsin.

I work for Wisconsin Council on Children and Families, the only multi-issue, private, nonprofit children's advocacy organization in the state. The Council has a 125-year history committed to assuring a set of conditions allowing every child to succeed in school and in life. The Council is particularly concerned about the school achievement gap for children from disadvantaged backgrounds. Education is essential to equal opportunity, but the achievement gap has been a difficult problem to address. The Council believes that high quality early care and education has great promise to address this problem. It is rare to find such a rich research base with so much agreement on benefits and effectiveness as the last quarter century of research on early care and education.

Parents and practitioners in early care and education all understand intuitively how important the early years are, and how early investment pays off. I went into preschool education because I saw up front the frustration and failure of children in public schools who came from disadvantaged backgrounds. They weren't ready, they felt inadequate, and they often became disruptive. Kindergarten and elementary school teachers are keenly aware the importance of the early years in preparing children for school.

But a much broader group is becoming convinced not only that the early years are crucially important, but that we know how to narrow school achievement gaps, based on a growing body of research on children's development and intervention programs.

Economists, business leaders, and politicians are increasingly intrigued by what the science tells us.

James Heckman, University of Chicago Economist and Nobel Laureate, 2005: ***"Investments in high-quality early learning programs have the greatest rate of return of any social investment."***

Committee for Economic Development, Washington, D.C., 2006:
".. high-quality preschool programs offer societal benefits that far outweigh program costs by improving later education, employment, earnings, and crime outcomes"

Ben Bernanke, Federal Reserve Chairman, 2007:

“Starting early in life is crucial. Recent research has documented the high returns that early childhood programs can pay in terms of subsequent educational attainment and in lower rates of social problems”

Jeff Joerres, CEO of Manpower, Inc., 2005:

“Wisconsin will not succeed as a state without investment in early education”

The National Governors Association’s, Policy Position on Early Education, 2006:

“The intent is to create a system that is more responsive to the needs of working parents and that supports opportunities for children to participate in high-quality school readiness programs... The research on the importance of quality early care and education is compelling, and these programs are critical to promoting school readiness.”

Why do researchers and others think the early years are so important?

Research tells us that early brain development in the first five years creates the foundation for a child’s healthy development and learning. And that foundation is essential to intellect, personality and skill development. As economist Heckman puts it, there is a cumulative process: Skill begets skill, and motivation begets motivation. Success breeds more success. And the earlier the investment, the greater the return on the dollar.

Ellen Galinsky, President of the Families and Work Institute, interviewed the lead researchers of three extraordinary studies that followed children who participated in high-quality early childhood programs from early childhood into adulthood. All three studies showed remarkable outcomes and cost-benefit ratios, averaging \$7 of benefits for every \$1 invested. The researchers believe that the programs prepared children for school, with more skills and confidence than the control groups, and as they got more committed to school, the greater success they had. And school readiness was not just about academics--- the researchers believe that the children’s early social and emotional development was key to their later success.

Why is investing in early care and education a particularly good investment?

First of all, investing in high-quality early learning programs is not a silver bullet. It does not solve all problems. But those who have carefully studied investments to improve child outcomes in school and beyond have been astonished at the number of carefully designed scientific studies that show remarkable long-term gains, including lower rates of special education and grade retention in school, higher graduation rates, lower crime rates for juveniles and adults, and higher earnings

Economists believe there can be very promising benefit/cost ratios from high-quality early childhood programs. There is tremendous promise here. However, we have to be careful about what the research tells us:

- Strong benefits come from high-quality programs, with well-designed approaches with a focus on the whole child, well-trained staff, parent engagement, and small staff-to-child ratios. Mediocre programs are not likely to bring strong benefits.
- Benefits are significantly higher for children from disadvantaged backgrounds, but newer studies are showing positive effects for middle-class children as well.

- There may be a reduction in benefits when program models are replicated on a larger scale—it's difficult to control for quality when programs go to scale. But even if the benefit/cost ratios may be diluted, they still are likely to be much higher than most economic development investments.

Let me focus on two reports in particular:

1. Chicago Child-Parent Center Program

The first is the research of Arthur Reynolds formerly at the University of Wisconsin. Reynolds completed a cost-benefit analysis of the federally funded Chicago Child-Parent Center program. The program, funded by Title I of the No Child Left Behind Act, serves children between the ages of 3 and 9 in Chicago's inner-city public schools. The program is probably the largest-scale early childhood intervention program where children were tracked to adulthood and compared to a control group. There were nearly 1,000 children in the program, with 550 in the comparison group. The results were remarkable.

- 20 percent higher rate of high school completion
- 42 percent lower rate of juvenile arrest for violent offense
- 52 percent reduction in abuse and neglect
- 86 percent higher percentage of children who meet literacy skills norms at age 5
- 59 percent higher percentage of children meet school achievement norms at age 14

The program's had a very positive 7 to 1 benefit-to-cost ratio, due to benefits including reduced need for grade retention and special education, reduced juvenile and adult crime arrest, and reduced child welfare expenditures. The benefit/cost ratio improves significantly over time as the children get older.

Experts and economists who reviewed the Chicago program point to several key elements that led to its success: well-trained and compensated teachers, strong parent involvement, early health and developmental screening, small class sizes, and a comprehensive curriculum focusing on early learning and social/emotional skill development.

2. Report by Economist Robert Lynch

The second report is a book released this year by economist Robert Lynch. Lynch took all the cost-benefit research under consideration in calculating likely impacts of public investment in high-quality early childhood programs in a book published by the Economic Policy Institute this year. He points to research measuring return on investment in preschool education at 16 percent annually, outperforming the stock market yearly average gains of 6 percent. The report by Lynch measures investments in both targeted and universal early education investments for 3 and 4 year-olds. He uses the Chicago Child-Parent Center program as his model for what the preschool program would look like.

According to Lynch, if Wisconsin invested in programs following the Chicago model, and targeted services to the 25 percent of the children in Wisconsin with the most need, the benefits would exceed \$5 billion in 2050 – a benefit more than 13 times that of the annual investment that year. Benefits from investment in universal preschool education would be about 9.5 times the investment, according to Lynch's calculations. Lynch estimates benefits due to lower K-12 expenses from less special education

costs, lower juvenile and adult crime rates, lower child welfare expenditures, and higher taxes paid because of higher work rates and higher incomes. While Lynch acknowledges that the benefits his estimates may not be precise, he believes he is in the ballpark and that he is using conservative assumptions.

So, there appears to be remarkably good evidence that investing in early learning is a wise investment.

What do we know about child care and early education in Wisconsin?

Wisconsin Strengths

Wisconsin has a strong foundation of support for early care and education:

- **4K:** Wisconsin is a national leader in four-year-old kindergarten (4K), with two-thirds of school districts participating serving over one-third of four-year-olds.
- **Child care:** Wisconsin's child care subsidy program, Wisconsin Shares, is also ranked very high among states, providing affordable access to children of low-income families without waiting lists
- **Head Start:** Wisconsin is one of only 16 states that supplement federal funds with state dollars.
- **Services to children with disabilities:** Wisconsin is well above the national average in reaching young children with disabilities
- **Collaboration:** Recent collaboration between school districts, child care, Head Start programs and disability programs has helped strengthen early learning opportunities. Of particular note is the work of several school districts who are delivering 4K in collaboration with child care centers, Head Start, and other community-based programs.

The Wisconsin Council on Children and Families strongly supports four-year-old kindergarten, Head Start, and programs for young children with disabilities, all of which have strong teacher standards and curriculum. We support continuing to expand access to these services and to strengthen their early learning components.

However, our research points particularly to the need to build a strong early learning component into child care settings across the state. And child care settings are where a large proportion of Wisconsin's young children are being cared for.

Child Care for Children of Working Families

What do we know about child care settings in Wisconsin?

- **Most parents are working:** 71 percent of children under six have all parents in the workforce- the fourth highest rate in the nation. This is a dramatic change from 30 years ago.
- **High percentages of children are in organized early care and education:** We estimate that 74 percent of children ages 3-5 are in child care and early education programs, and 25 percent of children ages birth to 3
- **High use of child care:** About 72 percent of children who are in early childhood programs are in *child care* settings
- **Child care system inadequate:** These child care settings operate in a private market, funded primarily by parent fees. Basic child care is expensive, and most parents cannot afford the costs of high quality. While Wisconsin's child care is generally safe and nurturing, most child care teachers and providers do

not have strong training in early education. Child care teachers earn less than \$9 an hour. Over the last 25 years, wages have been stagnant, and the percentage of well-qualified teachers is on the decline. Early learning curriculums in child care programs are typically not strong.

- **High quality rare:** Recent research by the UW-Extension's Wisconsin Child Care Research Partnership found that only 15 percent of child care programs meet the kind of quality standards that are likely to produce significant positive effects on school readiness.
- **Free market does not produce high quality:** The free market system has not been able to produce a high quality product without additional financing

Wisconsin parents are often caught in a bind: worrying about their children's development as they work hard to make ends meet. Developing a system that provides needed child care services so parents can work **and** assures that their children have good early learning experiences has multiple benefits:

1. It helps children get ready for school and later success
2. It allows parents to work, providing a workforce for businesses and strengthening the economy and the tax base
3. It invests in thousands of small child care businesses, providing a strong economic benefit that stays in Wisconsin. (This service can't be outsourced to China or India.)

If Wisconsin is going to get the long-term benefits of early education touted by the research, it will need to focus more on the quality of early care and education settings, with a particular focus on child care. Wisconsin Council on Children and Families supports efforts to assure that all Wisconsin children have access to high quality early learning experiences and nurturing care, regardless of the setting they are in. Planning for a coherent early education system should be one of the economic development goals at state and local levels.

We believe that Wisconsin would be wise to build on its already strong foundation with new investments in early learning. We believe that investments in young children are the right thing to do, for our children, for our families, and for our economy.

Handouts:

1. Committee for Economic Development position on investing in high-quality preschool
2. University of Wisconsin report on Professor Arthur Reynolds research on economic benefits of early education
3. Wisconsin Fact Sheet based on economist Robert Lynch's book: *Enriching Children, Enriching the Nation: Public Investment in High-Quality Prekindergarten*.
4. WCCF Policy Brief: "Making the Grade—Making the Case for Well-educated, Well-trained Teaching Staff in Early Care and Education."