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New Jersey Ranks Seventh in Child Well-Being but Inaccessible, Unaffordable Child Care Pushes Parents to the Breaking Point

50-State Data Show Economy Loses \$122 Billion a Year as Child Care Challenges Cause Parents to Miss, Quit or Scale Back Work, Annie E. Casey Foundation Finds

NEWARK, **NJ** — New Jersey ranks seventh in the nation in child well-being, according to the **2023 KIDS COUNT® Data Book**, a 50-state report of recent household data developed by the Annie E. Casey Foundation analyzing how children and families are faring. However, our country's lack of affordable and accessible child care shortchanges children and causes parents in the Garden State to frequently miss work or even quit their jobs, while those who can find care are paying dearly for it. These child care challenges cost the American economy billions of dollars a year and stymie women professionally.

At the same time, child care workers are paid worse than 98% of professions. In 2022, the annual median wage of a New Jersey child care worker was \$14.28 per hour. Median national pay for child care workers was \$28,520 per year or \$13.71 an hour in 2022, less than the wage for retail (\$14.26) and customer service (\$18.16) workers.

In addition, the *Data Book* reports too many parents cannot secure child care that is compatible with work schedules and commutes. The *Data Book* reports that in 2020-21, 12% of New Jersey children under age 6 lived in families in which someone quit, changed, or refused a job because of problems with child care. And women are five to eight times more likely than men to experience negative employment consequences related to caregiving.

Even if parents can find an opening at child care near their home, they often can't pay for it. New Jersey's average cost of center-based child care for a toddler was nearly \$12,700, nearly 9% of the median income of a married couple and 34% of a single mother's income in the state.

"Not only is child care a financial burden for families, but providers are also struggling, balancing high operating costs and the competitive wages needed to sustain quality staff – all while delivering care at a cost parents can afford," explains Mary Coogan, president and CEO of Advocates for Children of New Jersey, the state's KIDS COUNT grantee.

The failings of the child care market also affect the current and future health of the American economy, costing \$122 billion a year in lost earnings, productivity and tax revenue, according to one study. All of

these challenges put parents under tremendous stress to meet the dual responsibilities of providing for their families and ensuring their children are safe and nurtured.

"Access to quality, affordable child care should be available to every family that needs it," Coogan said. "It's imperative that policymakers and state leaders work with providers to develop solutions for an early childhood system that works for us all."

To that end, ACNJ has launched Reimagine Child Care, a statewide campaign effort to advocate for more affordable, high-quality child care in New Jersey.

Each year, the *Data Book* presents national and state data from 16 indicators in four domains — economic well-being, education, health, and family and community factors — and ranks the states according to how children are faring overall.

ECONOMIC WELL-BEING: Rank: 29

In 2021, 14%, or roughly 284,000, of New Jersey's children lived in poverty (an income below \$27,479 for a family of two adults and two children). This was an increase of 17% since 2019, when 235,000 children lived in impoverished households.

EDUCATION: Rank: 2

In 2017-2021, 39% of children ages three and four were not in school - the lowest share in the nation. This is a reflection of New Jersey's robust effort to expand the availability of high-quality public preschool.

HEALTH: Rank: 5

In 2021, 4% of children, or roughly 76,000 kids, did not have health insurance.

FAMILY AND COMMUNITY CONTEXT: Rank: 15

In 2017-2021, 7% of children in New Jersey lived in high-poverty areas.

Transitioning from a faltering child care system to creating a flourishing one will take new thinking and investing at the local, state and national levels. An executive order issued by President Biden in April is aimed at expanding access, lowering costs and raising wages. It could prove to be a helpful framework, but more is needed:

- Federal, state and local governments should invest more in child care. State and local
 governments should maximize remaining pandemic recovery act dollars to fund needed child
 care services and capacity. Congress should reauthorize and strengthen the Child Care and
 Development Block Grant Act, and increase funding for public pre-kindergarten and Head Start.
- Public and private leaders should work together to improve the infrastructure for home-based child care, beginning by lowering the barriers to entry for potential providers by increasing access to start-up and expansion capital.
- To help young parents, Congress should expand the federal Child Care Access Means Parents in School (CCAMPIS) program, which serves student parents.

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RELEASE INFORMATION

The 2023 KIDS COUNT® Data Book will be available at www.aecf.org. Additional information is available at www.aecf.org/databook. Journalists interested in creating maps, graphs and rankings in stories about the Data Book can use the KIDS COUNT Data Center at datacenter.aecf.org.

About Advocates for Children of New Jersey

Advocates for Children of New Jersey (ACNJ) is a statewide child research and action organization and the New Jersey Kids Count grantee. We are the trusted, independent voice putting children's needs first for more than 40 years. Our work results in better laws and policies, more effective funding, and stronger services for children and families. And it means that more children are given the chance to grow up safe, healthy, and educated. For more information, visit www.acnj.org. Follow ACNJ on Twitter at http://www.twitter.com/acnjforkids and on Facebook at http://www.facebook.com/acnjforkids.

ABOUT THE ANNIE E. CASEY FOUNDATION

The Annie E. Casey Foundation creates a brighter future for the nation's young people by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more information, visit www.aecf.org. KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.

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