

# High Quality Pre-K Makes a Difference!

## 2017 Policy Fact Sheet



Decades of research have shown that Pre-K makes a difference. Not just in the short-term to get children ready to start school, but in the long-term as children grow up, become employed and contribute to the strength of the economy.

In Alaska, there are nearly 10,400 4 year-old children but only about 290 are enrolled in Alaska's Pre-K program. What difference does it make? Plenty.

### A Strong Economy Depends on a Skilled Workforce

The forces of globalization and technology continue to redefine the knowledge economy: **tomorrow's workers must rely more on brain than on brawn.** Technological improvements have led to escalating skill requirements, and globalization has contributed to the loss of many labor-intensive and digitally transferable jobs in the United States.<sup>1</sup>

What is clear is that individuals need to achieve education beyond a high school degree and need to develop advanced technical skills. What we know is that the most formative years of brain development come well before a child starts kindergarten.

### The Economic and Fiscal Impact of Quality Pre-K

Early and sustained participation in quality Pre-K and early learning settings leads to:<sup>2</sup>

- more children graduating high school,
- higher earnings rates for parents and for the children once grown,
- reduced public spending on remedial education and services, and
- lower incarceration rates.

Federal, state, and local budgets will improve significantly when governments can dedicate more of their resources to productive endeavors, rather than to remediation, incarceration, and welfare.

- Improving high school dropout rates could save as much as \$11 billion annu-

ally in welfare, food stamps, and housing assistance.<sup>3</sup>

- Boosting the high school completion rate of adult men by 1 percent would save up to \$1.4 billion a year in crime related costs.<sup>4</sup>

Workers with a high school diploma earn over \$9,349 more annually than those who have not completed high school. Adding a four year college degree translates to an additional \$19,707 annual increase in earnings.<sup>5</sup>

### The Research on "Return on Investment" or ROI

The Chicago Child Parent Centers (CPCs) were similar to current state Pre-K programs in design and cost. The Chicago Longitudinal Study reported a \$7.14 to \$1 benefit-cost ratio.<sup>6</sup>

The High/Scope Perry Preschool Program that operated in the Ypsilanti, Michigan school district has been estimated to have a benefit-cost ratio of \$16 to \$1 (40 years after children attended).<sup>7</sup>

One year of full-day Pre-K at age 4 can raise future earnings by 10 percent. This increases the present value of future earnings for former child participants by about \$50,000, at a cost of about \$10,000, for a benefit of 5 to 1.<sup>8</sup>

A meta-analysis from leading researchers describes the rate of return in two ways:<sup>9</sup>

- Benefits may come from cost savings, such as reduced spending for special education and grade retention, as well as lower involvement in the child protection, welfare, and criminal justice systems; and second,
- Benefits may flow from greater economic productivity, higher earnings as adults.

**The evidence is clear:** high quality Pre-K programs are among the most cost-effective interventions with a long-term pay-off.

## The Connection Between Quality Pre-K and School Success

It is far more expensive to intervene during the K-12 years to help keep a child on track than it is to make an early investment to start children on track.

In Alaska, about 7,000 children repeat a grade between kindergarten and high school. About 21 percent of children do not graduate on time (or drop out).

The 2015 National Assessment for Educational Progress (NAEP) average reading scores for Alaska's 4th grade children were lower than the average scores of 4th graders in 41 other states.<sup>10</sup>

- 54 percent of 4th graders eligible for free and reduced priced lunch read below grade level.
- 66 percent of Alaska Native 4th grade students read below grade level.

How children fare on 4th grade reading tests is directly related to their readiness to start school when they first entered.

The research shows that we can do better. We can help children enter school ready to succeed by offering full-day high quality Pre-K.

## Mixed Delivery Systems Work Best for Parents

Many states offer Pre-K in mixed delivery settings. For example, North Carolina and New Mexico offer more than half their Pre-K classrooms through child care centers. This works in communities because the 4 year-olds are already engaged in a program. Parents need full-day care (not full "school-day" care but full "working day" care).

By offering Pre-K through child care settings, parents and children benefit. Parents have the work support that they need and children have continuity in care which is important for healthy development.

Pre-K can be school-based, but does not have to be to meet the needs of children and families. Supporting quality Pre-K in community-based child care programs is a sound example of public-private partnership.

## High Quality Pre-K Makes a Difference

High Quality Pre-K helps children start school ready to succeed. It reduces the likelihood that children will need remediation, special education, be retained in grade, and increases the likelihood that children will perform at or above grade level, graduate from high school and be college or career ready.



## For 2017, thread recommends policies to:

- Expand Pre-K to all 4 year-old children in Alaska as well as invest in quality child care in the earlier years;
- Offer Pre-K in mixed delivery settings so that communities can promote public-private partnerships with child care programs; and
- Strengthen training and professional development for the early care and education workforce to promote quality child care and Pre-K for Alaskan children.

For more information visit [threadalaska.org](http://threadalaska.org).

<sup>1</sup> Committee for Economic Development. "The Economic Promise of Investing in High-Quality Preschool: Using Early Education to Improve Economic Growth and the Fiscal Sustainability of States and the Nation." (2006). <http://bit.ly/1v14gbz>

<sup>2</sup> Ibid.  
<sup>3</sup> Marta Tienda. "Public Assistance Programs: How Much Could be Saved with Improved Education?" paper presented at the symposium on "The Social Costs of Inadequate Education" (Columbia University Teachers College, October 2005). <http://bit.ly/1ut5Uuz>

<sup>4</sup> Enrico Moretti. "Does Education Reduce Participation in Criminal Activities? Paper presented at the symposium on "The Social Costs of Inadequate Education" (Columbia University Teachers College, October 2005). <http://bit.ly/1t1jlfj>

<sup>5</sup> U.S. Census Bureau, Earnings in the Past 12 Months, 2010-2014 ACS 5 Year Estimates, Table S2001. [http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_14\\_5YR\\_S2001&prod-type=table](http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_S2001&prod-type=table)

<sup>6</sup> The Chicago Longitudinal Study, Reynolds, Temple, Robertson, & Mann, (2002). <http://www.irp.wisc.edu/publications/dps/pdfs/dp124502.pdf>, <http://bit.ly/1Be11pV>

<sup>7</sup> Getting the Facts Right on Pre-K and the President's Pre-K Proposal, NIEER (2013). <http://bit.ly/1Be11pV>

<sup>8</sup> From Preschool to Prosperity, Tim Bartik. (2014). <http://investinginkids.net/>

<sup>9</sup> Investing in Our Future: The Evidence Base on Preschool Education. (2013). Society for Research in Child Development and Foundation for Child Development. <http://bit.ly/1pfzv3B>

<sup>10</sup> National Assessment for Educational Progress (2015). 4th Grade Test Score Results for Alaska. <http://nces.ed.gov/nationsreportcard/states/>

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