

# Cultivating workers from the cradle

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By Kevin Dick, Guest Columnist

First, the good news: At the recent State of Durham's Economy breakfast we announced that Durham's unemployment rate has remained lower than both the state and the United States unemployment rate throughout the recession. The Greater Durham Chamber of Commerce reported that nearly 8,500 new jobs were created in the Triangle in 2010 and approximately 40 percent of those were in Durham. A growing job base during a recession is a decent indication of recovery.

The problem isn't that Durham lacks companies that employ talented workers. Our great city is bustling with high-paying jobs in private sector industries like management, manufacturing, wholesale trade, and professional and technical services.

But the 2010 counts from the N.C. State Data Center show that Durham County is home to more than 274,000 residents, with projections indicating that the population will continue to swell by nearly 7,000 persons annually. Add to that a large influx of talent from other counties, states and nations. That is a lot of people competing for the jobs we have available. High growth high wage jobs that will enable people to take care of their households will certainly require the completion of a high school education and almost without exception, some form of education (vocational certification, associate's degree, bachelor's degree or higher) after high school. This leads to us to the question of what happens to the many local students who don't make it to their high school graduation.

In North Carolina, 300 students drop out of school every day, with each dropout costing society \$250,000 through lower earnings and benefits.

In Durham County, there is a tale of two extremes as it relates to educational attainment. While Durham County has one of the highest college degree attainment rates (50.4 percent) among counties in the United States, we also have a dropout rate (3.04 percent through 2009-2010) that creates a situation in which there are disconnected youth whose chances of transitioning into productive post-secondary students and/or gainfully-employed workers diminish.

Durham County students are competing against students from around the globe. As an example, last year there were approximately 12,307 international students in North Carolina that competed for post-secondary educational openings at North Carolina.

Developing a skilled, productive and competitive workforce in Durham means we must begin the work of fostering talent as early as birth. For many children -- especially those considered at-risk -- waiting to begin education at kindergarten is too late. Focusing on children during the years before they enter school helps to better prepare them to reach their high school graduation and to compete for higher

paying wages.

Extensive evidence from longitudinal studies indicates that the cognitive, social and emotional skills developed during a child's early years play critical roles in the attainment of key adult competencies and positive life outcomes. High-quality early education programs have been proven to work -- they reduce the need for special education and remediation, they produce higher test scores, and they cut juvenile delinquency, teenage pregnancy and dropout rates. An effective pre-K program that annually costs \$10,000 per child and helps one additional student in 10 earn a high school diploma would save at least \$2.50 for every dollar spent, according to a study done by the Partnership for America's Economic Success.

Another consideration is that the benefits of high-quality early education and child care are not just reserved for the children receiving services, but for entire communities. In Durham County, there are 360 regulated child care facilities that provide jobs for 1,676 people. Owners of child care centers are contributing to the local economy through their roles as small business owners who pay taxes.

Then there are the incomes earned and taxes paid by parents who are afforded the opportunity to work by having their children enrolled in high-quality child care. The total gross income made by Durham County parents with children in child care in 2010 was more than \$310 million. As noted in *Child Care at the Core*, a 2010 report outlining the Downtown Durham Child Care initiative, investing in the next generation through the expansion of high-quality child care would help companies and workers in downtown Durham. That premise, however, extends beyond downtown. It is a premise that extends to businesses, existing workers and potential employees throughout Durham County and the Triangle.

Companies that take child care into consideration are better off. An average business with 250 employees can save \$75,000 per year in lost work time by subsidizing care for employees' sick children. U.S. companies lose \$3 billion annually as a consequence of child care-related absences, estimates the Child Care Action Campaign. Research studies show that 85 percent of employers report that providing child care services improves employee recruitment. Without adequate, safe, and reliable child care many Durham residents simply would not and could not work.

We have seen that early childhood education is far more than child care. High-quality early learning experiences are consistently producing measurable, positive outcomes. Investment in early childhood is the first step to building, developing and strengthening a system of support through public-private partnerships for our youngest children. Durham's prospects for educational success and economic and workforce development depend on this investment.

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