



To: New Jersey Economic Development Authority
From: Mary Coogan, President/CEO
Cynthia Rice, Senior Policy Analyst
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Advocates for Children of New Jersey
Date: June 20, 2023
RE: **ACNJ Comments on NJEDA's Request for Information**

Advocates for Children of New Jersey (ACNJ) appreciate the opportunity to submit comments regarding the New Jersey Economic Development Authority's (NJEDA) Request for Information (RFI) to seek input for innovative ways that employers can help solve New Jersey's child care challenges.

Child care plays a crucial role, not only in equipping children with a solid educational and socio-emotional groundwork for their development and learning but also in granting working parents the assurance that their young ones are well taken care of and receiving quality education while they engage in their professional endeavors. Consequently, this support system contributes to the enhancement of local, state, and national economies. As the pandemic unfolded, it became increasingly clear that the absence of reliable child care as an integral part of the business infrastructure had profound consequences on both businesses and their employees. The burden primarily fell on working mothers, who were forced to reduce or completely halt their work commitments.

The challenges afflicting this indispensable system can only be resolved through substantial federal funding and a shift in the perception of child care by both state entities and private organizations, including the business community. It is crucial to recognize that child care is not solely an employee concern but a business concern, as well. It is imperative to expand business perspectives and explore ways to provide enhanced support to employees. This entails developing strategies to bolster the child care industry, which can be seen as the "workforce behind the workforce." By prioritizing these actions, we can lay the foundation for effective solutions to the issues at hand.

In April 2022, ACNJ and its partner, New Jersey Business and Industry Association (NJBIA), held a webinar, *Moving Beyond the Pandemic: Business's Role in Child Care*. The webinar aimed to educate businesses on how they can improve their support for the child care needs of their workforce. Both agencies were concerned that, aside from large companies with on-site child care centers, most businesses had a limited perception of their role in addressing their employees' child care needs. From the questions and conversation during the webinar, it was

clear that our concerns were warranted. The majority of the business participants did not know that there were many options to better support their staff. The webinar offered examples of how both large and small businesses could incorporate child care offerings into their employee benefits packages, thereby attracting, retaining, and supporting working parents within their workforce. However, the event only reached a small percentage of businesses in New Jersey, limiting its overall impact.

An intentional state plan is warranted that both educates and supports businesses as to the numerous possibilities they can explore in developing comprehensive compensation packages that better support the child care needs of their employees. Such an initiative would assist a broader range of businesses and their employees in New Jersey and contribute to improving the overall child care landscape in the state.

The following recommendations offer a range of options to employers of all sizes who aim to provide support and resources to their employees in managing their child care needs:

- 1. NJEDA (New Jersey Economic Development Authority) should facilitate the education and provision of tools necessary for the business community to recognize the advantages of collaborating with local child care communities.** The initial step in establishing relationships between businesses and child care centers will require a shift in mindset among businesses themselves. Such a shift will require them to understand that child care is no longer just an employee concern but has evolved into a business issue that demands creative thinking when designing more attractive employee benefits packages. This shift necessitates the dissemination of information and examples of best practices regarding the types of child care benefits that can be offered and the process of implementing them. To ensure widespread accessibility, multiple avenues should be employed, including the development of an EDA tool-kit and the organization of a statewide business/child care summit. Collaborating with business and child care advocates and partners, such as ACNJ (Advocates for Children of New Jersey), NJAEYC (New Jersey Association for the Education of Young Children), CITE (The Coalition of Infant/Toddler Educators), NJBIA (New Jersey Business and Industry Association), and the New Jersey Chamber of Commerce, can help ensure that the largest number of businesses and child care providers have access to this vital information.
- 2. Allocate a portion of the funding for dedicated staff at each of the child care resource and referral agencies (CCR&Rs) to focus on building relationships and making connections between the business and child care communities.** Despite efforts to educate the business community, it is unlikely that natural connections will form between local businesses and center-based or family child care programs without some further assistance. Many employers may not even be aware of the existence of their county's CCR&R, let alone how to initiate these crucial connections with child care providers. Consequently, such connections are less likely to occur. By providing financial support to each CCR&R, these agencies can employ staff members who will serve as



valuable resources, proactively offering information, education, while acting as intermediaries between businesses and child care programs. This investment will enhance the potential for meaningful partnerships that effectively support working families.

- 3. Provide business incentives for establishing innovative partnerships between local businesses and child care.** Child care providers are in the business of caring for and educating young children. Too often, implementing strong business practices takes a back seat to their first commitment. Such providers need assistance in implementing effective business practices and would welcome assistance from businesses whose priorities may be different. Such business supports to child care can include shared services, such as back-room bill collecting, consulting support, tech support, website design.
- 4. Foster the development of innovative employee benefits packages that reflect the needs of working parents.** Many existing benefits packages were developed at a time when most households had only one parent in the workforce, most often being the father. Providing child care benefits as part of a benefits package was not considered necessary as most mothers were not active participants in the workforce. Now, child care is a lifeline for parents, but particularly for mothers in order for them to be able to work outside the home. In addition to on-site child care facilities, which are often out-of-reach for many businesses, providing employees with child care stipends or facilitating access to openings in child care programs through established partnerships are effective ways to attract and retain employees. These measures demonstrate that these businesses recognize the importance of child care as a vital lifeline for working parents, as it provides much-needed support to balance their employees' professional and caregiving responsibilities.

Thank you once again for your commitment to this critical issue, and we eagerly anticipate the opportunity to collaborate with you on this important journey of change.