Industry Fact Sheets—Childcare Services (NAICS 624410)

Industry Statistics

- More than 130,000 businesses in the United States and more than 3,300 businesses in Georgia are classified as childcare establishments (NAICS 624410). Childcare establishments include for profit and nonprofit home or center-based childcare facilities.

- In the United States, nearly 930,000 persons are employed in the childcare industry (NAICS 624410). In Georgia, nearly 33,000 persons are employed in childcare establishments. More than half (53.9%) of the childcare businesses in Georgia have 5 or fewer employees. (Source: Dun & Bradstreet’s *Marketplace* data, January – March, 2002).

- In 1999, approximately 20 million children (or 54 percent of the children in the United States 3rd grade and younger) were enrolled in childcare. Gary W. Philips, Acting Commissioner of the National Center for Education Statistics, said that “enrollment in early childhood education is up, particularly among children living in poverty, among children with mothers who were not in the labor force, and among African American children.” (Source: *What’s New In Child Care?* [http://www.childcaretalk.com/new_in_child_care/]. For additional information, see *Who’s Minding the Kids? Child Care Arrangements.* [http://www.census.gov/prod/2000pubs/p70-70.pdf].

- Only the state of Georgia offers pre-kindergarten program universally to 4-year olds. Other states are working towards some type of state-financed pre-kindergarten programs. Lynn White, executive director of the National Child Care Association explains about the economic viability of a classroom with 4-year olds for a childcare business. “Economically, a childcare center can’t survive without a classroom with 4-year olds,” says White explains, “the labor in caring for an infant is much more intense than in a the classrooms for 4-year olds, which are among the more profitable age groups with institutional childcare. Infants may require one worker for every three or four babies, while a class of 4-year olds may have an adult-to-child ratio of as high as 20 to 1.” (Source: Barbara Whitaker, “Child Care: An Industry for All Economic Seasons,” *New York Times*, December 16, 2001, Section 3, p 6). For a Childcare Financing Matrix from the National Child Care Information Center visit [http://www.nccic.org/pubs/ccfinancingmatrix.html].

Distribution of Childcare Providers in the United States, 1998

- Family Daycare Providers/Homes: 60%
- Organized Group Daycare Facilities: 21%
- State and Federal Government Agencies: 12%
- Churches: 5%
- Employer Programs: 1%
- Others: 1%


The University of Georgia, Business Outreach Services/Small Business Development Center
Applied Research Division ([http://research.sbdc.uga.edu](http://research.sbdc.uga.edu)), April 2002
Childcare Trends

- The need for programs that serve young children and their families will continue to grow. The need for daycare providers and childcare workers is projected to increase faster than the average of all occupations through the year 2008. For more information, see U.S. Department of Labor’s publications at http://www.dol.gov/dol/topic/benefits-other/childcare.htm.

- “The quality of early child care and education that young children receive lays the building blocks for future success in school,” says Virginia Edwards, Education Week editor and president. In fact, quality childcare plays a key role in preparing children for success in life, a point hammered home by the Southern Growth Policies Board. In its final report, the Board delivered the message that workforce development begins very early in a child’s life. This message is backed by powerful research on brain development and the role quality childcare plays in preparing children with the intellectual and social skills they need to succeed in school and life. For more information, visit the Southern Growth Policies Board web site at http://www.southern.org/content/articles/CL011702KJ2.asp.

- Childcare programs and daycare providers are striving to meet higher standards of quality. Quality care initiatives in Georgia can be found at http://www.div.dhr.state.ga.us/dpcs_caps/cc_initiatives.htm. For more information, see professional development and accreditation programs at:
  - The National Association for the Education of Young Children (http://www.naeyc.org) (800) 424-2460
  - The National Childcare Association (http://www.nccanet.org) (800) 543-7161
  - The National School Age Care Alliance (http://www.nsaca.org) (617) 298-5012
  - The National Association for Family Childcare (http://www.nafcc.org/) (801) 269-9338

- Nationally, the need for more than one childcare arrangement is common. Childcare arrangements include full-day care, half-day care, school holiday and before/after-school care. For employees with children, missing a day of work because of lack of childcare occurs an average of six to eight days a year for a typical employee. Larger companies are offering “back-up” childcare arrangements for their employees as a benefit. (Source: Joe Fodor, “Emergency Child Care,” Across the Board, March/April 2001). For additional information, see Care Around the Clock: Developing Childcare Resources Before 9 and After 5. http://www.dol.gov/dol/wb/public/media/reports/care.htm.

- Companies are offering on-site childcare for their employees. Businesses have discovered that employer-assisted childcare is an effective way to attract and retain quality workers. Eighty-five percent of employers with on-site childcare facilities report that providing childcare services improved employee recruitment and almost two-thirds of employers found that providing childcare services reduced turnover. For more information, see National Child Care Information Center’s web site (http://nccic.ccpartnerships/toolkit/toc.htm) for their Employer Toolkit.
National and Georgia Resources for Childcare Services

U.S. Small Business Administration
(404) 331-0100
http://www.sba.gov

Childcare Module
(202) 205-6673
http://www.onlinewbc.gov/DOCS/ChildCare/ccm1.htm

How to Start a Quality Childcare Business
http://www.sba.gov/library/pubs/mp-29.doc

Child Daycare Services

The Georgia SBDC Network
(706) 542-6762
http://www.sbdc.uga.edu

The National Child Care Information Center
(800) 616-2242
http://www.nccic.org

Starting a Childcare Center
http://nccic.org/faqs/starting.html

Family Childcare Start-Up and Funding
http://nccic.org/faqs/starfund.html

Federal Partners in with Childcare
http://nccic.org/ccb/issue19/issue19.html

Public/Private Partnerships with Childcare
http://nccic.org/ccpartnerships/profiles.htm

Georgia Child Profile
http://nccic.org/statepro/georgia.html

Nat’l Assoc. of Childcare Resource and Referral Agencies
(202) 393-5501
http://www.naccrra.org

GA Assoc. of Childcare Resource and Referral Agencies
http://www.ganet.org/gccc/randr/

National Childcare Association (Conyers, Georgia)
(800) 543-7161
http://www.nccanet.org/

The Georgia Childcare Association
(770) 414-1677
http://www.gccaonline.com/

Children’s Defense Fund
(202) 628-8787
http://www.childrensdefense.org

Georgia: Children in the States

Internal Revenue Service
(800) 829-1040
http://www.irs.gov/

Market Segment Audit Guide for Childcare Industry

Coop. Extension System’s National Network for Childcare
http://www.nncc.org/Maintitles/info.page.html

The University of Georgia Cooperative Extension Service
(706) 542-3824
http://www.fcs.uga.edu/outreach/coopex/index.html

Childcare Licensing Agency
(404) 657-5562
http://www2.state.ga.us/departments/dhr/ors/orsccl.htm

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Applied Research Division (http://research.sbdc.uga.edu), April 2002
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Licensing Requirements for Georgia
(404) 657-5562
http://www.daycare.com/georgia/

Childcare Licensing Agency (Pre-K program)
(888) 4GA-PREK
http://www.osr.state.ga.us/childcare1.html

Childcare Food Program
http://www.osr.state.ga.us/foodcare1.html

Fingerprinting law in Georgia
(770) 414-1677
http://www.gccaonline.com/fingerpr.htm

Healthy Childcare in Georgia
(404) 671-7370
http://www.ph.dhr.state.ga.us/programs/hccg/

The Center for Disease Control
(404) 639-3534
ABC’s of Safe and Healthy Childcare
http://www.cdc.gov/ncidod/hip/ABC/abc.htm

The Georgia Childcare Council
(404) 679-4880
http://www.gachildcare.org

Children’s Healthcare of Atlanta
(404) 250.KIDS
http://www.choa.org/childcare/default.shtml

Childcare Bureau
(202) 690-6782
http://www.acf.dhhs.gov/programs/ccb/

Georgians for Children, Kids Count
(404) 843-0017
http://www.georgians.com/

The Georgia Department of Human Resources sponsors childcare licensure orientation meetings. For more information, call (404) 657-3317.

Rules for Day Care Centers, Applicant’s Guide to Child Care Licensing (After School Programs), Applicant’s Guide to Child Care Licensing (Day Care Centers, Group Day Care Homes) are available from the Department of Human Resources, Office of Regulatory Services, (404) 657-5562.

Georgia Childcare Providers Resource Manual is published by Children’s Healthcare of Atlanta and Department of Human Resources and is also available at (404) 657-5562.

Books for Getting Started

