

Campaign for Children

A partnership of The Emergency Coalition to Save Child Care and the NYC Youth Alliance.

New York City's Diminishing Investment in NYC Children and Working Families

MANHATTAN IMPACT BRIEF

Introduction

Much like the rest of New York City, the economic downturn has had a profound impact on the almost 1.6 million residents of Manhattan, and it has hit children and working families particularly hard. The borough of Manhattan has seen significant increases in poverty and unemployment. While the need for services and assistance has increased, the availability of child care and after-school programs in Manhattan has decreased significantly. **Now, under the Mayor's proposed budget, Manhattan faces even further cuts to these critical programs.**

- In the past three years, the number of children from low-income working families receiving child care subsidies **in Manhattan has declined by almost 28 percent.**
- The Out of School Time (OST) after-school program is facing a **62 percent reduction in programs in Manhattan.**
- The Mayor has **already announced the closure of 2 Beacon Programs** in Manhattan, which combined serve more than 2,650 residents each year.

Early childhood and after-school programs are critical to Manhattan families. Research has proven their effectiveness in preparing children for school, improving academic performance and producing positive outcomes later in life. These programs also play an important role in the local economy.

As a result of cuts over the last couple of years, many of Manhattans' children and youth have already lost the opportunity to participate in early childhood and after-school programs, and thousands more are facing additional cuts.

A Picture of Manhattan

From 2008-2010, Manhattan's economic indicators all reveal troubling trends of increasing poverty and unemployment, and decreasing median income. According to the 2010 Census, there were 1,586,698 residents in Manhattan, of which almost 15% (234,247) were children under age 18. **The poverty rate in 2010 was 16.4%, up from 15.5% in 2008.** Notably, 22.1% of the children in Manhattan were living in poverty in 2010, compared to 19.8% in 2008.

The unemployment rate in Manhattan has dramatically grown throughout the economic downturn. The unemployment rate started at 4.2% in 2007, grew to 4.9% in 2008, ballooned to 8.5% in 2009 and then continued this disturbing trend by reaching 9.2% in 2010. Similarly, the median household income dramatically decreased from \$77,805 in 2008 to 63,832 in 2010, which is an almost 22% decrease in 2 years.

As parents and their children continue to face increasing economic instability in Manhattan, child well-being indicators have worsened. For example, less than half of Manhattan's children (47.1%) were reading at grade level in 2010 and only 59.9% were at grade level in math (based on whether children in grades 3-8 scored 3 or 4 on the state tests). Not surprisingly then, Manhattan's high school dropout rate was 10.3% in 2010. Youth dropping out of school are struggling, as 8.9% of youth are not in school and not in the work force. Over 37% of Manhattan's youth were unemployed in 2010.

What the Cuts Mean for Manhattan

Manhattan's families have already experienced reductions in child care and after-school programs, and now the Mayor's plans will further reduce the options available to working families.

- In the past three years, the number of children from low-income working families receiving child care subsidies in Manhattan has declined by almost 28 percent – decreasing from serving 7518 children in 2009 to only 5416 in 2012.¹ The citywide cut of 15,900 child care subsidies will affect all boroughs and further decrease the available of child care for low-income working families in Manhattan.
- The Out of School Time (OST) after school program – which has already shrunk by more than 35,000 youth citywide since 2009² – is facing a 62 percent reduction in programs in Manhattan, going from 71 programs to 27 programs for the entire borough.³
- The Mayor has already announced the closure of two Beacon Programs in Manhattan: the Stanley M. Isaacs Neighborhood Center at PS 198 and Hudson Guild at MS 414. Combined these programs served more than 2650 Manhattan residents this year.

These cuts will have a broad impact on Manhattan, but it is the children that will pay the biggest price. The loss of early childhood options will leave many children unprepared to start Kindergarten. It is well-documented that positive early childhood learning opportunities lead to more positive outcomes later in life. Over 75 percent of brain development happens by the age

¹ ACS Child Care Snapshots, January 2009 & January 2012.

² Fiscal Year enrollment data contained in the Mayor's Management Reports.

³ DYCD Request for Proposals for the Out of School Time system.

of five. Children who attend quality early childhood programs are more likely to graduate from high school, less likely to be involved in crime and less likely to become teen parents.⁴ These cuts will leave many of Manhattan's children without the opportunity to attend an early childhood program.

Youth will also lose out on the opportunity to be engaged in quality, structured programming that helps support academic success. The cuts to after-school programs, such as OST and Beacons, will leave many children and youth with nowhere to go after the school day ends. High-quality programs that provide academic support, enrichment and structure during out-of-school-time hours greatly enhance a child's success in school. These programs improve student connectedness with school and improve attendance. And, sadly, without access to after-school programming, many children and youth will be unsupervised or under-supervised after-school while their parents are still at work, potentially leading to many problems for children, parents, communities and schools.⁵ As Mayor Bloomberg said when testifying at a New York State Budget Hearing, "what happens after the final bell of the day rings is as important to students as what goes on in the classrooms."⁶

Working families will be facing difficult choices as these programs are eliminated. Most families currently accessing these services – and many more who are already unable to enroll their child as a result of previous cuts – are not able to afford child care and after-school in the private market. Working parents who lose access to child care and after-school programming will be forced to make the difficult decision between making alternative, less stable arrangements for their children and leaving the workforce. Working parents need safe, stable and supportive environments for their children while they are working – and these cuts will make it even more difficult for Manhattan's families to access these programs.

These cuts will also hurt Manhattan's already fragile economy because of the direct and immediate impact that child care and after-school have on the local economy. Research has found that child care is one of the best local economic engines returning \$1.89 for every \$1 spent. As the child care and after-school programs close, staff will lose their jobs. These staff usually live in nearby communities and most are likely from Manhattan. In addition, if parents are unable to keep their job because they do not have an alternative option for their child or if the parent must now pay for private care, that parent will have less money to spend in their local community on other necessities such as food, clothing and transportation. Overall, the loss of spending by now unemployed child care and after-school staff, as well as the loss of

⁴ W. Steven Barnett, Ph.D., National Institute for Early Education Research, *Preschool Education and Its Lasting Effects: Research and Policy Implications*, September 2008; Richard Tremblay, Jean Gervais, and AmeliePetitclerc, *Early Learning Prevents Youth Violence*, 2008;

⁵The Afterschool Alliance, 2007: *Afterschool Programs: Keeping Kids – and Communities – Safe*
http://www.afterschoolalliance.org/issue_briefs/issue_CrimeIB_27.pdf

⁶ Mayor Bloomberg testimony before the State Assembly Ways and Means Committee and State Senate Finance Committee on the Governor's Executive Budget and Reform Plan, January 24, 2012.

money spent by the parents who must either stop working or spend their money to pay for care, will hit Manhattan hard as the borough continues to struggle to recover from the economic crisis.

Conclusion

Manhattan's children and families deserve the opportunity to succeed. It is widely recognized that quality early childhood and after-school programming are critical to educational and economic success. Investing in these programs now will help Manhattan continue to move forward with its economic recovery and create a stronger New York City now and in the future.

Cutting these programs directly contradicts the Mayor's priorities for education, economic development, and juvenile justice reform. Mayor Bloomberg has made high-profile commitments to reduce racial and economic disparities in education and even invested his own money for the Young Men's Initiative, which is focused on improving the outcomes of young men of color in New York City. The significant reductions in the number of children who are able to access high-quality child care and after-school programming directly undermine these priorities because both early childhood education and after-school programs put all children on the path to success and prevent youth from engaging in risky behaviors, getting involved with the juvenile justice system and dropping out of school.

Now is the time to invest in preparing children for academic success, keeping youth engaged in school and supporting working families. Our children – our future – should not be sacrificed because of budget shortfalls. Manhattan's children, and all of New York City's children, must be the priority. The legacy of the Mayor and his Administration's lasting impact mark on New York City will be judged by the decisions he makes right now.