

# Rhetoric vs. Reality: Child Care

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Improving access to high-quality child care is at the forefront of the national policy debate. Legislators, policymakers, and voters are recognizing that the economy depends on working families and that working families depend on high-quality, affordable child care. Republicans and Democrats in Congress have introduced child care legislation, and for the first time ever, both major party presidential candidates have introduced child care proposals.<sup>1</sup>

Accessing high-quality child care is of the utmost importance for working families: 65 percent of children younger than age 6 have all available parents in the workforce, resulting in more than 12 million children attending child care each week.<sup>2</sup> While the numbers speak for themselves, there are still many commonly held misperceptions about the need, value, and effectiveness of child care. This issue brief debunks five common myths about child care and demonstrates how access to high-quality care is a necessity for working families.

## The most pervasive myths surrounding child care

### Myth: Child care is just babysitting

**Reality:** The outdated notion that early care and education is simply babysitting undermines the important work that child care workers do every day. The early childhood workforce takes on the responsibility of caring for children at a critical stage in their development, when children undergo tremendous physical growth and develop key cognitive and social-emotional skills.<sup>3</sup> Research shows that high-quality learning environments enhance child development, and that a skilled and well-educated workforce is integral to program quality.<sup>4</sup> Sensitive and responsive caregiving from a provider who engages in nurturing interactions with children and creates developmentally appropriate learning opportunities in the classroom requires a great deal of knowledge and experience.<sup>5</sup> In addition to educating young children during their most formative years, the early childhood workforce also plays a crucial role in supporting the economy by providing dependable child care for working parents. Without the early childhood workforce, families cannot work: Every year, families lose out on \$8.3 billion in wages because they do not have access to affordable child care.<sup>6</sup> Beyond financial support, child care workers offer parents an important sense of confidence and security so that they can go to work knowing that their children are in capable hands. Working families and businesses alike depend on child care workers to provide consistent, high-quality child care.

There is growing awareness that access to high-quality child care is a necessity for working families and for the economy. However, many individuals do not realize that supporting access to high-quality child care means investing in the early childhood workforce. Despite the significance of their work, most child care workers receive dismally low wages and few have benefits—such as health insurance, which is common in other sectors.<sup>7</sup> On average, child care workers earn less than animal caretakers, receiving a median hourly wage of only \$9.77, and almost half of all child care workers are enrolled in at least one public assistance program.<sup>8</sup> Paying child care workers near-poverty wages undermines their ability to provide high-quality care and devalues the important role that they play in fostering healthy child development and supporting the economy.<sup>9</sup> Child care workers are skilled professionals, and it is time to give them credit where credit is due.

#### Myth: High-quality child care is easily affordable for America's middle class

**Reality:** High-quality child care is out of reach for low-income and middle-class families alike. The average cost of center-based child care amounts to almost one-third of the median family income, and in 33 states and the District of Columbia, child care costs more than tuition at an in-state university.<sup>10</sup> As the cost of child care for middle-class families has increased by nearly \$2,300 in the past decade, wages for low- and middle-income workers have remained almost stagnant, forcing families to spend a progressively higher proportion of their incomes on child care.<sup>11</sup>

The existing structures that aim to help families pay for child care do not have adequate funding to cover the full cost of care or to reach all families that are in need of support. The Child Care and Development Block Grant, or CCDBG, provides grants to states to subsidize the cost of child care for low-income families, but funding is inadequate and does not address the needs of moderate- and middle-income families:<sup>12</sup> Only one in six eligible children receive assistance under CCDBG, and the average subsidy covers less than half the average cost of annual tuition at a child care center.<sup>13</sup> The Child and Dependent Care Credit offers families a tax credit of up to \$2,100.<sup>14</sup> However, this tax credit largely benefits higher-income families and is too little, too late for working families. Families that are living paycheck to paycheck cannot afford to wait until tax season to receive financial support for child care.

The high cost of child care forces many parents to choose between spending a significant portion of their income on child care, settling for a cheaper, potentially lower-quality child care option, or leaving the workforce altogether to be a full-time caregiver. This impossible choice can have serious economic consequences for families; an average 26-year-old woman who takes five years off from the workforce would lose \$467,000 over her career, reducing her lifetime earnings by almost 20 percent.<sup>15</sup>

Paying for child care or opting to leave the workforce to care for children are both major cost burdens for millions of working families.<sup>16</sup> Policy solutions addressing affordable child care must be inclusive and serve all families—low-, moderate-, and middle-income—not just those in the highest tax brackets.

#### Myth: Government standards for child care are invasive and unnecessary

**Reality:** Child care regulations are critical for keeping children safe in both home and center-based child care settings. States require that child care providers meet a set of baseline health, safety, and quality requirements in order to legally operate and to accept child care subsidy funding.<sup>17</sup> These standards vary by state but typically include staff credential and training requirements, employee background checks, adult-child ratios, and health and safety procedures such as hand-washing and diapering.<sup>18</sup> Most parents assume that their child care providers meet these standards, but surprisingly, many do not. In 2013, only 13 states required a comprehensive background check for providers, and only nine states required CPR training for all new staff.<sup>19</sup> Without these basic program regulations in place, children are left in dangerous situations where they can be seriously injured or even die.<sup>20</sup>

Program regulations do not limit parents' options for child care. Rather, they guarantee that basic safety standards are met so that parents can focus on factors such as program quality, location, and cost when choosing a child care provider. Improving program standards is a central concern for voters: A recent poll found that 87 percent of Florida voters believe that the state should invest in standards, training, and classroom resources that support high-quality teaching practices.<sup>21</sup>

Program regulations also provide the necessary foundation for creating a high-quality learning environment. Unpredictable and chaotic care environments exacerbate stress, which can hinder healthy child development.<sup>22</sup> Program regulations help alleviate potential stressors by promoting sensitive and responsive caregiving, making classrooms more conducive to learning and development.<sup>23</sup> Children must be in a safe environment to reach their full potential, and program regulations are paramount to protecting and ensuring the success of our youngest learners.

#### Myth: Businesses alone can solve the child care crisis

**Reality:** Most working families face barriers to accessing affordable child care, and the nation's economy suffers as a result. The child care crisis touches millions of working Americans and their employers. A *Washington Post* poll found that 69 percent of working mothers and 45 percent of working fathers have passed up a job opportunity because they needed to care for their children.<sup>24</sup> Further, American businesses lose approximately \$4.4 billion each year from employee absenteeism as a result of child care breakdowns.<sup>25</sup> Child care reform would benefit businesses and the economy through reductions in employee absenteeism and greater participation of women in the workforce.<sup>26</sup> However, families cannot rely solely on businesses to solve the child care to support early learning, just as it invests in things like roads, bridges, and internet access to support trade and economic growth.

On-site child care makes sense for employers who are able to offer it. Providing employees with steady and reliable child care gives them peace of mind and reduces employee absenteeism, thereby enhancing productivity in the workplace.<sup>27</sup> However, on-site child care is only offered to a handful of Americans and does not benefit all families equally: Only 2 percent of nongovernment businesses currently provide on-site child care, and those that do are less likely to offer it to low-wage workers.<sup>28</sup> For example, The Home Depot offers child care to its corporate associates but not to most of its retail workers.<sup>29</sup>

While the private sector plays an important role in supporting child care, a substantial investment in the child care system is necessary to ensure that all families have equal access to high-quality child care, regardless of their employer.<sup>30</sup>

#### Myth: The United States cannot afford a big investment in child care

**Reality:** From an economic standpoint, the United States cannot afford not to invest in child care. The typical American family no longer consists of a primary wage earner and a primary caregiver: In 40 percent of households, mothers are the sole or primary bread-winners and in another 25 percent, mothers are co-breadwinners.<sup>31</sup> With more mothers in the workforce, access to child care is a necessity. Working families in the United States lose out on more than \$28 billion in wages every year because they do not have access to child care and paid leave.<sup>32</sup> In addition to immediate wage losses, parents who leave the workforce to be caregivers face depressed lifetime earnings and lose out on substantial benefits and retirement assets.<sup>33</sup> Investing in child care and paid leave policies would enable an estimated 5 million more women to enter the workforce, which could increase the national gross domestic product by more than \$500 million.<sup>34</sup>

Beyond the significant benefits to the workforce and the economy, investing in high-quality child care sets children up for success from the start. Research shows that children who attend higher-quality child care have fewer behavioral issues and perform better in math in elementary school.<sup>35</sup> Enrollment in high-quality early education programs can also lead to improved long-term outcomes, including reduced involvement in the criminal justice system and higher earnings in adulthood.<sup>36</sup> Investing in the nation's youngest learners is a common-sense approach that pays off in the short-term and down the line.

# Conclusion

The costs and consequences of a lack of investment in child care are too great to stand idly by. Promoting access to child care is both a moral issue and an economic one. Highquality child care promotes equity and sets children on the path to success early on. The United States must ensure that all children have access to a safe and nurturing care environment, regardless of their ZIP code, income level, or parents' employer. It is time to enact policy solutions that reflect the needs of modern working families by investing in early learning and supporting family economic security.

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### Endnotes

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