

Child care isn't just a personal problem. It's an economic one, too ^[1]

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EXCERPTS

"You look so...well rested," a woman recently told a friend of mine, upon learning that she had a four-month old. "It was like I didn't have the right to look well rested—I wasn't being appropriately sacrificial," my friend told me. Such is the expectation of parenting's onerousness: Anyone who seems relatively put together must be some kind of freak.

The concept of the American family unit still centers around the notion that child care is supposed to be borne on the backs of each parent, who's expected to make the necessary sacrifices to provide care. But finding child care for working families isn't just a personal dilemma; it's also a policy problem, and an economic one. If parents are seen as the first and—in many cases—the only line of defense when it comes to taking care of children, how are they supposed to get down to work?

A group of advocates is making a full-throttled attempt to turn child care into a collective, social responsibility. On Thursday, the **Make It Work** ^[3] campaign unveiled a proposal for federally subsidized child care that would dramatically expand the scope of government aid to 26 million lower- and middle-income working parents, at an estimated cost of \$168 billion per year when it's fully phased in over 10 years. The group is now looking to pressure presidential candidates (cough, **Hillary** ^[4]) to respond to its agenda in early primary states. "2016 will be the year that America stands up and demands an agenda that supports working families," said Tracy Sturdivant, co-leader of Make It Work. The campaign is also calling for **paid leave** ^[5], **paycheck transparency** ^[6], and action on other pocketbook issues that have attracted the support of Gloria Steinem and Sen. Patty Murray.

To put the scale and price tag in context, the long-term cost of the day care program after it's fully implemented could easily outstrip the **estimated \$1.2 trillion** ^[7] cost of Obamacare over the next ten years. But the point isn't whether such a government program could pass Congress now—or any time in the near future—but that we need to fundamentally reconsider the way we think about child care, whose economics are becoming increasingly crazy, to our economy's detriment. "It is a big number, but the truth is that someone is bearing the cost—someone is bearing that cost every day, and it's the hardworking families that are struggling on their own to piece together care on their own," said Vivien Labaton, who is co-leading Make It Work's campaign. "It's a national problem that calls for a national solution."

Since the 1980s, child care costs have nearly **doubled** ^[8]; in 31 states, infant day care **costs more** ^[9] annually than in-state college tuition. It's an especially big burden for poor families, who spend 30 percent of their income on child care every month, **according** ^[8] to a 2013 analysis from the Census Bureau; those earning \$52,000 or more spend 7 percent on average. Day care **horror stories** ^[10] have fueled concerns about the quality of care, prompting concerned parents to shell out even more for care. Many pay nannies **off the books** ^[11] to avoid having to shell out even more for Social Security and other taxes. *Do what it takes*. Others have given up altogether: The percentage of parents using **paid care** ^[8] has fallen since the 1980s, often using ad-hoc family arrangements instead. Since the late 1990s, there's also been a **rise in** ^[12] stay-at-home moms after three decades of decline.

For Tanya Kopke, 29, quality child care will mean spending upwards of \$1,500 per month to care for her three-year-old and her second child who's on the way—more than her mortgage, and more than a third of her family's monthly income. "The more quality you get, the more expensive you get," said Kopke, who works as a program assistant for a child care service agency in Arizona. There are cheaper options, but they're home-based providers that are still working to raise their standards of care. "The safety of your children always comes first," said Kopke.

Such realities have prompted some to look longingly at the universal child care programs in France, Belgium, and Quebec that provide government-subsidized care at minimal cost to parents. "When it comes to infants and toddlers, we tend not to think that we have a right to pay with public funding. But in most high-income and highly developed countries, it's part of their education and workforce development," said Barbara Gault of the Institute for Women's Policy Research. Even the most liberal advocates, however, aren't actively pushing for completely scrapping the system for the child care equivalent of single-payer health care. "People don't like hearing about other countries," one advocate told me.

Instead, Make It Work's proposal builds off a program that's been around for decades—but makes it an order of magnitude larger. In 1990, Congress created the Child Care Development Block Grant, a voucher program that was linked a few years later to welfare reform. The idea was originally to encourage low-income parents to enter the workforce by subsidizing their child care. But funding for the program has remained largely flat since the Clinton years, even as the cost of child care has been rising. Limited funding means the vouchers now reach an estimated one out of six eligible children, serving less than 1.5 million in 2013, with wait lists in many states (on top of wait lists to get into day care centers themselves).

Make It Work essentially wants to create a new safety net out of the old program, increasing its annual funding—currently at \$5.3 billion—more than thirty-fold. Currently, vouchers are only available to those who make up to 85 percent of a state's median income. The proposal extends a sliding-scale of subsidies to families earning far more—up to twice their state's median income, or about \$131,000 for a family of three. That's extraordinarily generous compared to the status quo, and a sign that advocates believe even the relatively well-to-do are having difficult covering child care costs as well. Finally, the proposal tries to help child care providers as well, mandating minimum hourly wage of \$15, which advocates say is necessary to insure quality care and a higher standard of living for low-wage workers. "Caregiving is historically associated with women's work, and so it has been historically devalued, also because it's done mostly by women," said Steinem. "This trend reinforces the notion that caregiving is women's work, and women's work is free. It is not free—it should be given and attributed economic value."

There have been other recent proposals to expand the program, though they've far more modest in scale. In January, for example, President Barack Obama proposed a voucher program that would expand access to 2.6 million children—compared to Make It Work's 26 million—and increase the current child care tax credits to \$3,000. (The current child and dependent care credit is **just \$1,050** ^[13] for the care of one person.)

"It's time we stop treating childcare as a side issue, or a women's issue, and treat it like the national economic priority that it is for all of us," Obama said in January's State of the Union Speech, recalling how the government once provided near-universal day care during World War II. Eleanor Roosevelt called for that effort to continue post-war, as *Time* magazine **points out** ^[14]. "We have to face the fact that there are married women with young children who have to go to work. In such cases, it would seem to be in the interests of the community to organize child care centers and see that they are properly run," she wrote in 1945. Roosevelt added: "Where state help is needed, it should be given; and when states are incapable of giving sufficient help, it should be forthcoming on a national scale as it has been in the war

years.”

But even in liberal circles, child care has yet to reach an elevated status in policy debates, and the face of child care advocacy is overwhelmingly female. In some ways, it seems like the next logical step after paid parental leave and universal pre-K, which have both become pillars of the left’s economic agenda. But it goes significantly farther than paid leave in challenging our conception of the government’s role in family life. Paid leave is easier to accept politically, as it essentially affirms the notion that mothers (and, increasingly, fathers) should be at home with their newborns, nurturing them in the early weeks of their lives. Subsidized child care, on the other hand, enables precisely the opposite: It pays Someone Else to take care of the kid so the parent can be back on the job.

“For some in our society, there’s profound discomfort with role of government in supporting the care of children, and it gets worse the younger the child is,” said Gina Adams of the Urban Institute. “When they think ‘baby,’ they think ‘in the arms of a mom,’ not in the crib in a center.” Universal pre-K, meanwhile, has gained traction because it’s seen as direct extension of school—distinctly different from child care. “Pre-k is seen as an economic investment because it’s believed to reduce the chances a kid will drop out of school, get arrested, and rely on social services, as well as significantly increase that person’s earning potential,” *The Atlantic’s* Alia Wong wrote^[15] last year. “Preschool, on the other hand, connotes nursery school. And when people imagine nursery school, they think of daycare. A babysitting arrangement.”

But even children in full-day school frequently require child care afterwards—or before, depending on parental work schedules that are becoming increasingly unpredictable^[16]. And as Jonathan Cohn explained^[10] in this magazine, there’s growing evidence that the earliest years and quality of care matter tremendously, well before pre-K. And that’s helping to build momentum around child care reform, too. Last fall, Congress reauthorized the Child Care Development Block Grant for the first time since 1996, after restoring money cut during sequestration. The reforms make it easier for working parents to remain eligible for subsidies; require background checks for child care workers and inspections for child care centers; and mandate that states spend more money on improving the quality of care.

The bill passed^[17] in a lame-duck Congress with resounding bipartisan support. At the same time, it simply whiffed when it came to the hardest part of all. “The agenda happened without the money. They reached agreement on need to make change, and they didn’t address the issue of money,” said Helen Blank of the National Women’s Law Center. The legislation provides no new funding, despite containing new regulations that are likely to increase the cost. It simply recommends a 17 percent funding increase, which supporters are skeptical will happen.

Conservative reformers are encouraged by the new bipartisan consensus, but they also urge caution. Katharine Stevens of the American Enterprise Institute believes change needs to be incremental and focused on improving quality. “There’s growing support that’s critical and it could be endangered by a big, scale-up spending that people just doesn’t think work,” said Stevens. The handful of Congressional Republicans who are pushing for new help for working parents still favor using the tax code^[18] to do so: Sen. Rand Paul has co-sponsored^[19] a child-tax credit bill with Sen. Kirsten Gillibrand, and Sens. Mike Lee and Marco Rubio’s tax plan includes a new \$2,500 credit^[18] for working parents.

For now, outside support for child care still seems like a luxury rather than a necessity. As my colleague Rebecca Traister discusses^[20], Facebook announced this week that contractors would be given a \$4,000 to offset the cost of child care, among other benefits. Google already has on-site child care. But only 2 percent of employers offered direct subsidies for regular child care in 2014, according^[21] to one national survey; those offering on-site or near-site child care dropped to 7 percent. The beneficiaries tend to be those who already are a step ahead: higher-income, salaried employees who work for big corporations. And employer-sponsored day care haven’t been immune to the problems of escalating costs^[22] and long waitlists for accessible, quality care.

Someone, somewhere ultimately has to pay, and right now, we have resigned ourselves to viewing it as just another part of the madness of parenthood. “It’s one of the inherent challenges,” said Hannah Matthews of the Center on Law and Social Policy. “It’s what families talk about, it’s what middle-income families talk about. It’s what higher income families talk about. But you get through it, and you breathe a sigh of relief when you don’t have that child care—it’s a period of time, it doesn’t go on forever.”

Yes, the cost of raising a child is crazy, but so is our failure to even think of it as a policy question.

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