

The impact of home-based child care provider unionization on the cost, type, and availability of subsidized child care in Illinois ^[1]

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AVAILABILITY

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Abstract

In February 2005, Illinois became the first U.S. state to grant home-based child care providers (HBCCPs) the right to form a labor union in order to bargain collectively with the state government. This policy inspired similar efforts across the country and represents a potentially important direction for child care policy. To date, the implications of labor unions for the cost, type, and availability of subsidized child care have not been evaluated empirically. In this study, we examine the impact of granting Illinois HBCCPs the right to form a labor union on (a) the type of child care (licensed vs. license-exempt/home-based vs. center-based) used by subsidy-receiving Illinois infants and toddlers; (b) the per-child cost of subsidized child care for infants and toddlers; and (c) the percentage of Illinois infants and toddlers who use child care subsidies. To conduct these analyses, we combine data from the Current Population Survey with Child Care and Development Fund administrative records on U.S. infants and toddlers whose families received child care subsidies during the period from 2002 to 2008. We use both a traditional difference-in-differences as well as a comparative case study with a “synthetic” control group approach. The synthetic control group approach improves on traditional comparative case studies by providing a transparent, empirical approach for constructing the counterfactual, documenting comparison units’ contribution to the synthetically created control group and detailing the degree to which the synthetic control group is, or is not, similar to the treated unit on preintervention measures of the outcome as well as on other selected characteristics. We find that subsidy-receiving Illinois infants and toddlers spent an average of between 6.4 and 7 percentage points more hours in licensed care settings, as compared to license-exempt settings, in the three years following child care unionization. We also find that between 0.7 and 1.1 percentage points fewer Illinois infants and toddlers used child care subsidies following unionization.

Related link: Study: Home-based child care worker unionization leads to better regulated, less available subsidized care ^[3]

Region: United States ^[4]

Tags: availability ^[5]

home-based ^[6]

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