



Who Cares? The Child Care Choices of Working Mothers

By Heather Boushey¹

May 6, 2003

Center for Economic and Policy Research • 1621 Connecticut Ave., NW, Suite 500 Washington, D.C. 20009 • (202) 293-5380 • <www.cepr.net> • email: cepr@cepr.net

¹ Heather Boushey is an Economist at the Center for Economic and Policy Research. CEPR thanks the Rockefeller Foundation for generous support of this research.

Most mothers not only provide care for their families, they hold down a paid job as well. Two-thirds of mothers with children under age six are employed and of these, the majority work more than 30 hours per week. For the "typical" American family, an important part of a mother's job at home is to find care that meets her family's needs in terms of quality, the location of the child care, affordability, and other characteristics, such as flexible time arrangements.

Familial care – care by a parent or relative – remains the most common kind of child care used by working mothers, followed by formal daycare. These arrangements are almost as reliable as formal daycare and are less expensive to use. Even though most working mothers spend 40 hours per week or more working at a paid job, one-third of working mothers (33.2 percent) have their children in parental care, provided by themselves or the child's other parent, for the majority of their child care hours. Married working mothers are the most frequent users of parental care, while working mothers with low incomes or who live with other family members are most likely to use relative care.

In addition, one-third of working mothers (30.9 percent) rely on relatives. However, there are indications that relative care is used out of necessity rather than choice because it is most often used by low-income mothers and by single mothers who live with other family members. Moderate and lower income families generally cannot afford formal daycare without assistance and mothers who cannot rely on family support or afford formal care must rely on informal child care arrangements (family daycare or nanny/sitters).

While formal care is generally of higher quality and is one of the most reliable forms of care, it is also the most expensive. Formal daycare, regarded as the highest quality alternative to parental care, costs an average of \$4,068 per year for each child in care, putting this kind of care out of the reach for many working mothers. Higher income and more educated mothers are most likely to use formal daycare settings. Family daycare is chosen by 19.1 percent of working mothers and nanny/sitter care by 3.6 percent. Many of the working mothers who choose either of these kinds of informal care arrangements lack access to relative care options and cannot afford formal daycare.

Formal care is also becoming increasingly difficult for low-income mothers to access. The General Accounting Office reports that since January 2001, two-thirds of states have made changes to their child care assistance policies and of these, 23 limited eligibility for low-income mothers, including former welfare recipients (Shaul 2003). While welfare reform pushed women into the labor market, it has become increasingly difficult for many mothers to access state assistance in paying for child care, forcing them to rely on relative care, if they have an able and willing family member, or informal care.

Kind of Child Care Used by Working Mothers

A generation ago, most mothers of young children spent their days at home with their children: in 1975, only two out of every five mothers with a child younger than six held a paid job. Today, nearly two-thirds of mothers with young children have jobs (Bureau of Labor Statistics 2002)

and nearly three-out-of-four work more than 30 hours per week. This change has made the search for safe, enriching, dependable and affordable child care a critical issue for millions of American mothers. Working mothers must find child care arrangements that meet their needs for the quality care, the location of the child care, affordability, and other characteristics, such as flexible time arrangements.

In the spring of 1999, 87.2 percent of working mothers reported using one of six kinds of child care to care for their children under age six²:

- 1) Parental care—care by the child's parent, guardian, or stepparent, either at work or at home.
- 2) Relative care—care by a relative of the child (including siblings 15 years or older), either in the child's home or someplace else.
- 3) Family daycare—care by a family daycare provider or by someone who is not a relative of the child away from the child's home.
- 4) Nanny or sitter care—care by someone who is not a relative of the child in the child's own home.
- 5) Formal daycare—care in a child or day care center, nursery or preschool, or Head Start program.
- 6) Young sibling—child either cares for his or herself or is cared for by a sibling under age 15.

In the spring of 1999, working mothers with pre-school children (infants to age five) most commonly chose one of three kinds of care as their primary child care arrangement: parental care, care by a relative or care in a formal daycare (**Figure 1A** and **Table 1**). Table 1 shows that one-third (33.2 percent) of working mothers who used child care used parental care, and slightly less than one-third used relative care (30.9 percent) and formal daycare (29.7 percent). These figures report the proportion of mothers who use these arrangements for each of their children; thus one mother may be counted as many times as she has children under age six in child care. Each arrangement is the "primary" arrangement for that child, indicated by the arrangement that the child spent the most time in, on average.

Older pre-schoolers, ages four and five, are most likely to be in a formal daycare setting, while the youngest children are more likely to be in parental care (**Figure 1B** and **Table 2**). The largest share of children from infancy to age three are cared for by either their mother or father (34.6 percent), while slightly more than one-quarter (27.2 percent) are cared for in formal daycare

² The data for this analysis come from the 1996 panel of the Survey of Income and Program Participation. See the Note at the end of this report for a complete discussion on the construction of the data.

³ The Center for Economic and Policy Analysis website <u>www.cepr.net</u> has supplemental tables that include child care data for 1997 as well as 1999.

settings. Parents might prefer to have family care for their youngest children, but they are limited in that many formal daycare settings do not take infants, only older pre-school children. Further, infant care is more expensive than toddler care (Schulman 2000).

Who a mother lives with goes a long way in determining who cares for her children (**Table 1**). Single mothers who live with their family—their parents, siblings or other relatives—are able to take advantage of this situation and have these relatives care for their young children. Over half (53.2 percent) of mothers living with family members have a relative as the primary care arrangement for their child. Similarly, 10.6 percent of mothers who live in a household with other adults (who could be friends, partners, or housemates) have someone caring for their children in the child's home. On the other hand, married couples are more likely than other household types to have one of the two parents providing the primary care for the child (39.1 percent).

Table 3 shows that even when the household type is regression adjusted, these trends by household composition still hold. For example, before accounting for differences in educational attainment, race, hours of work, and household income, the gap in the use of relative care between single mothers living with family and married mothers is 26.3 percentage points. After controlling for these other factors, the gap in the use of relative care between single mothers living with families and married mothers is still high at 19.3 percentage points. Similarly, married mothers are still more likely than single mothers living alone or with family to use parental care as the primary child care arrangement, even after controlling for other relevant factors.

Mothers with short workweeks most often use parental care, both in terms of the raw differences, but also in terms of the regression-adjusted differentials. Mothers who work less than 30 hours per week—27 percent of working mothers—are 66 percent more likely than mothers with longer workweeks to either be their child's primary caretaker or have the other parent be their child's primary caretaker. The regression-adjusted differentials relating work hours to daycare choices increased for mothers using family daycare and decreased slightly for parental care. This means that, after controlling for other factors, an increase in work-hours makes it more likely that a mother will place her child in family daycare than the raw data indicate, while the effect of longer work-weeks decreasing the use of parental care is not quite as large as the raw data suggest.

Low-income mothers are more likely than higher-income mothers to have a relative care for their young children, as 42.4 percent of mothers in the bottom 20 percent of households use relative care, compared to only 25.0 percent of mothers in the richest 20 percent of households. However, the regression-adjusted gaps are smaller, so that the differences across income groups in the use of relative care are smaller once other factors are taken into account. The gap across income groups in terms of their use of relative care is still relatively high however, with a 12.3 percentage point gap between mothers in the top and the bottom 20 percent of households. The highest-income mothers are the most likely to use formal daycare for their children and this gap shrinks only slightly in the regression-adjusted differentials. After adjusting for other factors, mothers in the top 20 percent of households are still 8.9 percentage points more likely to use formal care than those in the bottom 20 percent, down from 10.6 in the raw differences.

In the raw differences, families in the middle of the income distribution are the most likely to have a parent caring for young children and parental care is least likely to be used by working mothers in poorer households. While 36.4 percent of mothers in households in the middle of the income distribution use parental care, only 23.8 percent of mothers in households in the poorest 20 percent of households use parental care. However, this changes with the regression-adjusted differentials, which means that this is explained by differences in other characteristics, in particular, hours of work and household composition. Even adjusting for other factors, families at lower income levels are the least likely to use parental care, most likely because they cannot afford to have parents stay at home with their children and welfare reform has forced many low-income mothers to find employment.

There are differences in the kinds of child care used by mothers by race/ethnicity, but these gaps are generally smaller with the regression-adjusted differentials. Hispanic mothers are more likely than other mothers to have a relative caring for their young children (46.3 percent), while African American mothers are more likely than other mothers to have their children in formal daycare (36.7 percent). However, once other characteristics are accounted for, Hispanic working mothers use of relative care falls from 20.6 percentage points more likely than white mothers, to 12.9 percentage points. In terms of the raw differences, white mothers are more likely than other mothers to have a parent providing the primary child care (36.0 percent) or using family daycare (21.6 percent). They are less likely to use formal daycare (30.9 percent) than African American mothers, but more likely than Hispanic mothers (18.1 percent). The regression-adjusted differentials, however, show smaller differences in the use of parental and formal daycare between white mothers and African American and Hispanic mothers.

The only substantive change in the kind of child care used between 1997 and 1999 was that the proportion of mothers using parental care fell from 35.4 to 33.2 percent, a statistically significant drop. Mothers slightly increased their use of all other kinds of child care, however none of the changes are statistically significant. Thus, the trend was to leave parental care for other types of care, but not one specific type. This change does not closely follow labor market trends as the proportion of mothers with young children in the labor force actually fell by 0.6 percentage points between 1997 and 1999. This was after a substantial increase in the proportion of mothers in the labor force between 1993 and 1997, from 57.9 to 65.0 percent.

Cost of Child Care

The high cost of formal daycare explains why mothers in higher income households are more likely to use this kind of care. **Table 4** shows that mothers who used formal daycare in the spring of 1999 spent 25 percent more per week for child care than did mothers who used family daycare (\$78.23 per week versus \$63.79 per week) and 67 percent more than mothers who used a relative to provide care (\$46.87 per week). Most mothers who use formal care or family daycare pay for the care: 88.4 percent of mothers using formal care and 92.5 percent of mothers using family daycare pay for the care. However, only one-quarter (24.7 percent) of mothers who have a relative care for their pre-school child have to pay for that care. Mothers who use formal daycare

are likely to receive some sort of help paying for that care, although this is still only 11.0 percent of mothers who use formal daycare. Help includes government assistance, community assistance, or help from other family members or an absent parent.

The cost of child care differs across demographic groups and by the hours of work and household income of the mother. Mothers with more education spend more on all kinds of child care, relative to less-educated mothers. This is largely due to the fact that higher-educated mothers live in higher-income households, which also spend more on child care than do mothers in lower-income households.

More mothers would likely use formal care if they could afford it or if they were provided assistance to pay the high costs of this kind of care. Studies consistently show that formal care is the most reliable and provides the highest quality care, and that mothers report wanting to use it. However, the high costs of care put it out of reach for many low-income mothers. Subsidies provided by the government do little to help most low-income mothers who need help paying for child care. A recent report by the Department of Health and Human Services found that only 15 percent of children eligible for federal funds for child care assistance received any aid in 1999 (U.S. Department of Health and Human Services 1999). Thus, most mothers had to find alternative ways of acquiring child care for their children while they are at work, be it looking to relatives, other informal arrangements, or finding more affordable formal daycare, if possible.

Reliability and the Number of Arrangements

From the perspective of a working mother, some of the most important elements of child care quality are that it is reliable and easily fits into her daily schedule. Reliable child care is critical if mothers are to be able to perform at their jobs, especially since missing time from work is often grounds for dismissal. In the spring of 1999, 8.8 percent of mothers reported losing hours of work due to difficulties with child care (**Figure 2**). However, mothers who used "informal care"—care by a family daycare provider or a sitter or nanny—as their primary child care had the highest likelihood of losing days at work to child care difficulties. Over one-in-ten mothers using family daycare (11.8 percent) lost time at work and 14.2 percent of mothers using nanny or sitter care lost time at work. Given the importance of child care reliability for maternal employment, more should be done to increased the reliability of formal daycare settings.

The majority of young children are cared for away from home, which often means using multiple kinds of child care. This usually requires transporting children from one location to another. Transporting children can be difficult to fit into parent's schedules and disruptive to the children. In the spring of 1999, 16 percent of mothers used more than one kind of child care arrangement for their young children, with all but a few using only two different kinds of child care. This only includes primary arrangements however, and once all the different kinds of child care that a parent uses are included, the numbers are much higher: 30 percent of children under age six are in more than one kind of child care, with nearly one-in-ten children in three or more different kinds of arrangements. Since many mothers have more than one young child, the situation can be even more difficult to manage than these numbers indicate.

Conclusions

The "typical" American family with young children is one in which the mom is at work and the children are in child care. For most mothers, this means added expenses as well as the daily hassles of transporting children to their child care locations. Most mothers use some type of "familial" care (parental care or relative care) as the primary source of care for their children. These arrangements are almost as reliable as formal daycare and are less expensive to use. However, there are indications that this kind of care, in particular relative care, is done out of necessity rather than choice because it is most often used by low-income mothers and by single mothers who live with other family members.

Slightly less than one-third of mothers put their young children under age six in formal care. While formal care is generally of higher quality and is one of the most reliable forms of care, it is also the most expensive. Moderate and lower income families generally cannot afford it without assistance. Mothers who cannot rely on family support or afford formal care, must rely on informal child care arrangements (family daycare or nanny/sitters). These child care arrangements are of questionable quality and are the least reliable, often forcing mothers to miss work. More than 20 percent of mothers used such informal care settings in 1999.

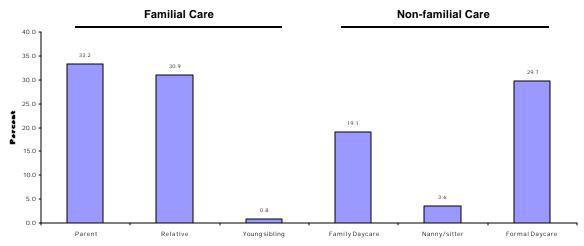
The movement to formal care occurs as mothers' hours and commitment to staying employed increases, and as income increases. As women become more entrenched in the labor market, they often move from informal to center-based care (Fuller et al. 2001). Some of this is because their incomes rise, but some of it is because formal settings are more reliable in the long-run. The use of formal child care is associated with increased employment durations for mothers, as is receiving assistance in paying for child care (Boushey 2002). Therefore it is likely that there will be a continuing shift from informal and familial care settings to formal care in the future.

Nearly a third of mother's rely on relatives to provide care for their children. The high use of relatives to provide child care among poorer households and the low use among higher income households indicates that this kind of care may be more of necessity than choice. This may be in part a result of welfare reform, which pushed low-income mothers into paid employment. High reliance on relative child care may also be partially attributable to the fact that child care costs have risen faster than wages. However, relative care may not be a stable child care arrangement over time. Relatives often have to find regular employment themselves. It cannot be assumed that relative care will meet the child care needs of middle- and lower-income households.

Little is being done in Washington at present to help mothers find and pay for quality child care. The federal tax cuts currently being discussed provide little, if any, assistance for low-income families. The proposed child tax credit is not refundable and therefore would do little to help the vast majority of working families. Most of the programs the federal government has established are not funded at sufficient levels and this problem has been further exacerbated by the states' fiscal crisis, which has led to cutbacks in child care assistance in many states (Johnson, Lav, and

Ribeiro 2003). As a result, working mothers are likely to continue to face serious obstacles to obtaining high quality, reliable, and affordable child care.

Figure 1A: Child care arrangements of working mothers with children under age six, 1999



 $Source: Author's \, analysis \, of \, the \, Survey \, of \, Income \, and \, Program \, Participation \, 1996 \, panel.$

Figure 1B: Child care arrangements of working mothers with children under age four, 1999

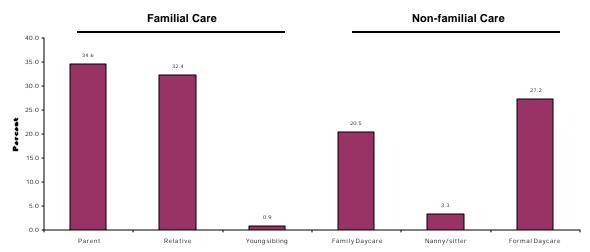
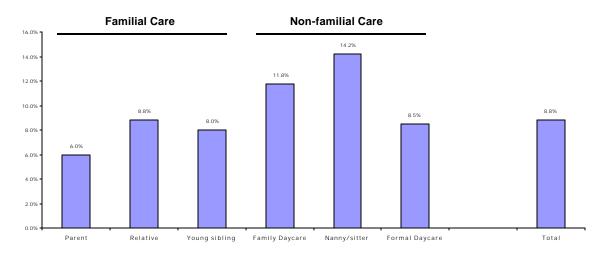


Figure 2: Percent of mothers reporting losing days of work due to child care difficulties, 1999



 $Source: Author's \ analysis \ of the \ Survey \ of \ Income \ and \ Program \ Participation \ 1996 \ panel.$

Table 1: Primary child care arrangment for children under age six (Percent)

,	1999*							
_			Young	Family	Nanny or	Formal		
	Parent	Relative	Sibling	Daycare	Sitter	Daycare		
All**	33.2	30.9	0.8	19.1	3.6	29.7		
Mother's Education								
Less than high-school	28.8	48.5	0.3	13.5	3.8	19.5		
High-school	34.2	36.3	1.1	14.6	2.4	24.6		
Some college	31.5	31.2	1.0	21.6	3.9	29.5		
College degree	35.9	18.5	0.4	22.8	4.4	39.2		
Mother's Race								
White	36.0	25.7	0.7	21.6	3.8	30.9		
African American	21.9	35.8	1.8	13.9	2.8	36.7		
Hispanic	31.3	46.3	0.2	15.4	3.8	18.1		
Other	39.9	43.1	8.0	10.3	1.9	21.9		
Household composition								
Married couple	39.1	26.9	0.6	20.1	3.4	30.0		
Cohabitating	30.7	29.6	2.0	22.9	2.5	23.2		
Single mother:								
Living alone	17.7	35.1	1.3	21.4	4.5	33.6		
Living with family	13.6	53.2	1.3	9.0	2.1	28.2		
Living with other adult	32.9	31.2	1.1	13.5	10.6	17.3		
Mother's usual weekly hou	ırs of work							
0 - 20	48.9	25.3	1.1	10.0	2.6	28.9		
20 - 29	51.4	30.2	0.2	12.9	5.4	18.5		
30 - 39	29.0	34.6	0.7	19.7	3.5	28.4		
40 - 49	28.2	31.6	1.0	21.0	3.3	32.5		
50 or more	29.0	28.0	0.0	23.9	3.5	32.2		
Household income								
Bottom 20%	19.9	46.6	0.0	14.9	4.8	27.5		
30 - 40%	33.3	36.9	0.5	14.8	4.1	23.7		
40 - 60%	36.9	31.9	1.7	18.9	2.7	23.8		
60 - 80%	34.2	30.0	0.8	20.6	2.6	30.2		
Top 20%	33.4	22.8	0.4	21.4	4.5	38.1		

^{* 1999} refers to March to June of 1999.

Child care arrangments:

Parental care is care by the child's parent, guardian, or stepparent, either at work or at home.

Relative care is care by a relative of the child (including siblings 15 years or older), either in the child's home or **Family daycare** is care by a family daycare provider or by someone who is not a relative of the child away from **Nanny or sitter care** is care by someone who is not a relative of the child in the child's own home.

Formal daycare is care in a child or day care center, nursery or preschool, or Head Start program.

Young sibling is that the child either cares for his or herself or is cared for by a sibling under age 15.

^{**} Rows do not sum to 100% because mother's may have multiple children who can be in various kinds of care. In 1999, 16% of mothers using child care used more than one kind of arrangment for their children under age six.

Table 2: Primary child care arrangement for children under age four (Percent)

,	1999*							
•			Young	Family	Nanny or	Formal		
	Parent	Relative	Sibling	Daycare	Sitter	Daycare		
All**	34.6	32.4	0.9	20.5	3.3	27.2		
Mother's Education								
Less than high-school	24.4	54.1	0.4	16.3	1.5	19.2		
High-school	34.1	38.8	0.8	14.9	2.1	22.2		
Some college	35.2	31.5	1.5	23.2	3.9	25.9		
College degree	38.2	19.3	0.3	24.4	4.6	36.3		
Mother's Race								
White	37.4	27.3	0.5	22.7	3.5	29.1		
African American	24.1	35.6	2.8	18.3	3.2	31.7		
Hispanic	31.6	47.3	0.3	16.3	3.2	16.6		
Other	39.1	48.1	1.4	7.6	1.9	19.1		
Household composition								
Married couple	40.4	28.3	0.8	21.2	3.0	28.1		
Cohabitating	29.4	36.9	1.4	28.3	4.2	7.6		
Single mother:								
Living alone	13.4	38.1	0.0	24.9	5.1	34.2		
Living with family	17.5	54.4	2.2	10.8	1.4	23.0		
Living with other adults	36.6	29.4	0.0	9.9	11.4	18.2		
Mother's usual weekly hours of	work							
0 - 20	58.0	23.4	1.6	7.6	2.1	26.4		
20 - 29	54.7	30.1	0.4	12.2	4.7	17.2		
30 - 39	27.7	38.0	0.3	21.8	2.9	27.8		
40 - 49	27.2	33.7	1.2	24.7	3.5	28.4		
50 or more	31.3	28.9	0.0	22.0	2.7	34.9		
Household income								
Bottom 20%	18.6	46.2	0.0	19.0	3.0	31.7		
20 - 40%	34.6	40.8	0.0	15.4	3.5	19.3		
40 - 60%	38.4	33.9	1.8	19.4	3.1	22.2		
60 - 80%	34.7	31.1	1.0	23.0	2.7	25.9		
Top 20%	35.8	24.3	0.7	22.0	4.2	35.5		

^{* 1999} refers to March to June of 1999.

Child care arrangments:

Parental care is care by the child's parent, guardian, or stepparent, either at work or at home.

Relative care is care by a relative of the child (including siblings 15 years or older), either in the child's home or someplace else. **Family daycare** is care by a family daycare provider or by someone who is not a relative of the child away from the child's home.

Nanny or sitter care is care by someone who is not a relative of the child in the child's own home. **Formal daycare** is care in a child or day care center, nursery or preschool, or Head Start program.

Young sibling is that the child either cares for his or herself or is cared for by a sibling under age 15.

^{**} Rows do not sum to 100% because mother's may have multiple children who can be in various kinds of care. In 1999, 18% of mothers using child care used more than one kind of arrangment for their children under age four.

Table 3: Differences in child-care arrangements, controlling for demographics, mother's hours of work, and household income^, 1999#

Percentage point differences relative to the ommitted group

	Parent		Relative		Family Daycare		Nanny or Sitter		Formal Daycare	
	Raw Differences	Regression S Differentials	Raw Differences	Regression Differentials	Raw Difference	Regression s Differentials	Raw Differences	Regression Differentials	Raw Differences	Regression Differentials
All										
Mother's Education (Less	than high-s	chool omitted)								
High-school	5.4	1.6	-12.2	-5.7	1.1	-1.3	-1.4	-1.1	5.1	2.6
Some college	2.7	-2.6	-17.3	-9.1*	8.1	4.9	0.0	0.8	10.0	6.5
College degree	7.1	0.3	-30.0	-16.6**	9.3	4.7	0.5	0.7	19.7	12.8**
Mother's Race (White om	itted)									
African American	-14.2	-3.0	10.1	0.9	-7.7	-6.6*	-1.0	-1.1	5.7	6.7*
Hispanic	-4.7	-1.3	20.6	12.9**	-6.2	-5.2	0.0	0.4	-12.9	-8.5**
Other	3.9	7.1	17.4	17.6**	-11.3	-12.9**	-2.0	-1.9	-9.1	-11.8*
Household composition (I	Married cour	ole omitted)								
Cohabitating	-8.4	-8.1	2.7	-4.3	2.8	4.4	-0.9	-0.1	-6.8	-1.9
Single mother:										
Living alone	-21.4	-18.1**	8.1	-0.1	1.3	3.9	1.1	1.3	3.5	6.6
Living with family	-25.5	-24.3**	26.2	19.3**	-11.1	-7.7*	-1.3	-0.5	-1.8	0.2
Living with other adul	-6.3	-8.2	4.3	-3.3	-6.6	-3.5	7.2	7.7**	-12.8	-7.3
Mother's usual weekly ho	urs of work	(0 - 20 omitted)								
20 - 29	2.5	3.5	4.8	3.8	3.0	3.7	2.8	2.5	-10.4	-9.1*
30 - 39	-19.8	-16.9**	9.3	6.1	9.7	11.4**	0.9	0.7	-0.5	0.5
40 - 49	-20.7	-18.4**	6.2	3.6	11.0	12.9**	0.7	0.8	3.5	4.2
50 or more	-19.8	-17.5**	2.6	3.1	14.0	14.3**	0.9	0.4	3.3	1.8
Household income (Botto	m 20% omit	ted)								
30 - 40%	13.4	8.0	-9.6	-9.3*	-0.1	-0.6	-0.7	-0.2	-3.8	-1.6
40 - 60%	17.1	8.1	-14.7	-10.5*	4.0	2.4	-2.1	-1.7	-3.7	-1.5
60 - 80%	14.3	4.0	-16.6	-10.4*	5.7	3.4	-2.2	-1.9	2.7	3.5
Top 20%	13.5	1.3	-23.8	-12.3*	6.5	2.7	-0.3	-0.6	10.6	8.9

^{# 1999} refers to March to June of 1999.

Child care arrangments:

Parental care is care by the child's parent, guardian, or stepparent, either at work or at home.

Relative care is care by a relative of the child (including siblings 15 years or older), either in the child's home or someplace else.

Family daycare is care by a family daycare provider or by someone who is not a relative of the child away from the child's home.

Nanny or sitter care is care by someone who is not a relative of the child in the child's own home.

Formal daycare is care in a child or day care center, nursery or preschool, or Head Start program.

[^]Full regression results are available upon request from the author. The model also included age group and a constant, along with the variables listed here.

^{*} Indicates statistical significance at the 10% level; ** indicates statistical significance at the 5% level.

Table 4: Payment for primary child care arrangment for children under age six

Family Nanny or Formal Relative Daycare Sitter Daycare Percent who paid for care 24.7% 92.5% 75.3% 88.4% Percent who received any help paying for care 7.0% 9.0% 1.0% 11.0% Average payment per week per child (2000\$)** \$63.79 \$72.48 \$78.23 ΑII \$46.75 Mother's Education Less than high-school 43.64 60.91 54.27 60.89 High-school 41.29 60.62 35.33 65.78 Some college 49.42 54.99 67.36 75.59 College degree 86.88 54.71 74.50 89.83 Mother's Race White 43.89 67.71 75.81 79.33 African American 48.13 52.23 57.05 65.39 Hispanic 47.61 56.98 49.58 84.98 55.06 Other 66.80 28.61 91.81 Household composition Married couple 48.11 63.62 61.59 82.06 Cohabitating 49.67 67.04 72.43 Single mother: 40.45 58.37 106.04 70.54 Living alone Living with family 48.98 49.72 38.80 61.26 Living with other adult 34.65 68.99 116.63 55.75 Mother's usual weekly hours of work 0 - 20 43.73 46.33 44.06 13.84 20 - 29 26.34 67.38 72.98 62.35 30 - 39 62.99 45.49 76.05 45.13 40 - 49 51.10 62.25 68.37 84.15 50 or more 43.73 66.68 108.42 83.13 Household income Bottom 20% 49.45 55.53 47.57 48.76 30 - 40% 39.31 51.51 40.81 66.82 40 - 60% 50.28 57.72 72.53 72.52 60 - 80% 61.05 42.09 66.49 74.86 54.22 82.52 90.90 Top 20% 68.13

Child care arrangments:

Relative care is care by a relative of the child (including siblings 15 years or older), either in the child's home or someplace else. **Family daycare** is care by a family daycare provider or by someone who is not a relative of the child away from the child's home. **Nanny or sitter care** is care by someone who is not a relative of the child in the child's own home. **Formal daycare** is care in a child or day care center, nursery or preschool, or Head Start program.

^{* 1999} refers to March to June of 1999.

^{**} Average child care payments are per-child and exclude mother's who did not pay for child care.

Notes on Construction of the Data

The data for this analysis comes from the 1996 Survey of Income and Program Participation. The information on child care usage comes from topical modules four and ten. Topical module four covers March to June of 1997 and topical module ten covers March to June, 1999. Family income and work participation comes from the longitudinal waves that correspond to these topical modules. Child care is evaluated for both the mother's own children (adopted or biological) as well as any children that the mother is the guardian of (foster children, stepchildren, or other children).

Child care type covers the first five children in the household under age six and the first five children ages six to 17. Overall, 16 percent of parents report more than one kind of care for their children. For this report, only the child care in which the child spends the majority of their time is counted as their "primary child care". However, 4.0 percent of parents report that their child spends the same amount of time in more than one kind of child care. In these cases, the kind of care allocated as the primary child care is ordered as young sibling care if that is one of the kinds of care with identical hours, then formal daycare if it is one of the kinds of care with identical hours, then nanny/sitter care, family daycare, and relative care.

The cost of child care is the amount paid per week for the primary child care arrangement across all the mother's children under age six who have that kind of care. The values are all in 2000 dollars and averages exclude mothers who did not pay for care.

Because the analysis is conducted using "mother" as the unit of analysis, the rows in Tables 1 and 2 do not sum to 100 percent as a mother may have more than one child.

References

- Boushey, Heather. 2002. Staying Employed After Welfare: Work Supports and Job Quality Vital to Employment Tenure and Wage Growth. Washington, DC: Economic Policy Institute.
- Bureau of Labor Statistics. 2002. *Employment Characteristics of Families*. http://www.bls.gov/news.release/famee.toc.htm
- Fuller, Bruce, Sharon L. Kagan, Gretchen L. Caspary, and Christiane A. Gauthier. 2001. Welfare Reform and Child Care Options for Low-Income Families. *Future of Children* Vol. 11, No. 1, pp. 97-119.
- Johnson, Nicholas, Iris J. Lav, and Rose Ribeiro. 2003. *States are Making Deep Budget Cuts in Response to the Fiscal Crisis*. Washington, DC: Center on Budget and Policy Priorities.
- Schulman, Karen. 2000. *The High Cost of Childcare puts Quality Care Out of Reach for Many Families*. Washington, DC: Children's Defense Fund.
- Shaul, Marnie S. 2003. *Child care: Recent State Policy Changes Affecting the Availability of Assistance for Low-Income Families*. Washington, DC: General Accounting Office.
- U.S. Department of Health and Human Services. 1999. *Access to Child Care for Low-Income Working Families*. http://www.acf.dhhs.gov/programs/ccb/research/ccreport/ccreport.htm