

## 27. Child Care

### ***Congress should***

- resist any attempt to increase funding for child care;
- resist any attempt to impose federal standards on child care providers and parents; and
- return child care to the state, local, or family level, as provided by the Constitution.

Shortly after hosting two White House conferences on early childhood brain development and child care in the spring and fall of 1997, President Clinton proudly announced his \$24 billion child care plan in his 1998 State of the Union Address: “Nothing is more important than finding child care that is affordable, accessible, and safe. It is America’s next great frontier, in strengthening our families and our future.”

Certainly most Americans agree with President Clinton on the importance of nurturing children. The real question is, *Are parents incapable of caring for their children without help from the federal government? The short answer is no.* Any reasonable, fact-based analysis of the child care situation across the country demonstrates conclusively that parents seek and use high-quality, affordable child care arrangements.

People who study the child care market generally assess it in three ways: availability, affordability, and quality. And the facts show that child care in America is available, affordable, and of the high quality that parents seek. According to the most comprehensive nationwide survey on child care in the United States, which was cosponsored by the Department of Health and Human Services, 96 percent of all parents are satisfied or very satisfied with their current child care arrangements. That satisfaction rate did not vary with the employment status of the mother, the type of care used, family income, the child’s age, or race. Let’s examine possible reasons for that satisfaction.

## **Availability**

The White House argued that child care was in short supply. But the anecdotes recounted did not paint a true picture. In fact, more than 70 percent of parents say finding good quality child care is “no problem at all.” According to the Profile of Child Care Settings, which was prepared under contract for the U.S. Department of Education, there is a 12 percent vacancy rate in commercial child care centers, a figure that is remarkably similar across regions and urban, suburban, and rural areas. In addition, there are roughly 1.1 million nonregulated family day care providers, 40 percent of whom say they have room for more children. According to the profile, “The market seems to be working to increase supply as demand expands.” That study confirmed findings of earlier studies, including some by the Labor Department and the National Child Care Survey.

It is also important to note that research shows that any shortages in supply are probably a result of state or local regulatory requirements. For example, in the District of Columbia, it is illegal for two families to share a nanny (or a babysitter). Any babysitter or nanny who wishes to care for children from two different families must be regulated as a child development facility; she would need to meet the same requirements for space, toys, and food preparation as a child care center. We can only guess how much this ridiculous regulation raises the cost of child care for D.C. families. Moreover, most city zoning commissions consider day care a small business and prohibit programs from opening in residential areas. Those prohibitions can extend even to individuals who wish to use their own homes to care for neighborhood children. Those who seek to increase the availability of child care should examine local zoning ordinances to see if they pose a significant barrier to expanding the supply of child care. If so, waivers can be sought to exempt day care facilities from the ordinances.

## **Affordability**

The White House argued that good quality child care is available only for the wealthy. Again, the facts tell a different story. Child care fees have risen less than 5 percent in real terms since the late 1970s. More than 60 percent of pre-school-aged children are still cared for primarily by their mothers, fathers, or other relatives. Half of the families that do use child care pay nothing: only half of all arrangements used for preschoolers while

their mothers are working require a cash payment. That is because parents frequently trade services with other parents in the neighborhood. For those who do pay for child care, the average weekly expenditure for families below the poverty level is \$50. Families above poverty pay \$76. Is that too much or too little? Nine out of 10 parents say they would be willing to pay more for their current child care arrangements.

While problems with affording child care are not widespread, there is no doubt that some young families struggle to afford child care. There are roughly 1 million pre-school-aged children whose parents are members of the working poor and need child care. Yet, on the whole, their situation is far from destitute. More than 6 of 10 arrangements chosen by working poor families do not require a cash payment. Thus, fewer than 500,000 families are among the working poor who pay for child care. Surely it is difficult for those families to pay for child care. However, their needs should be addressed, to the extent possible, as should the needs of all families, through relieving the tax burden. When that is insufficient, the needs of those families should not be dismissed, but their needs can and would be better addressed at the local level. For example, employers, unions, and communities have responded to working parents' demands for affordable child care. More than half of all families report having an employer benefit that helps them manage child care responsibilities. Those policies have come about without pressure or tax incentives from the federal government. Dozens of unions have also established child care programs for their workers, including the United Auto Workers, United Steel Workers, Amalgamated Clothing and Textile Workers Union, and the International Ladies Garment Workers Union. There is every reason to believe that the child care needs of the working poor can be met with assistance from employers, unions, churches, charities, or in some cases local communities.

## ***Quality***

The White House painted a picture of parents incapable of judging quality. Again, the facts tell a different story. Because people are different, parents have more than one way of defining quality. The medley of parental demands manifests itself in a market with a choice of products—parental care, relative care, family day care, church-based care, commercial child care, and educational preschools. Some parents see quality as a

feature of providers—whether a provider is warm and loving, reliable and experienced. Those parents often choose relative or family day care. Other parents see quality as linked to educational opportunities, and they are more likely to choose center-based care. However parents define quality, most say it is the most important factor in their choice of arrangements. Parents' high satisfaction rates with their child care arrangements suggest they are finding and using the quality care they seek.

In the end, the whole child care debate may be irrelevant to how children turn out. “Virtually no research has examined the cumulative, long-term effects on children of attending child care arrangements of varying quality as preschoolers,” according to the National Research Council. In the short term, the National Institutes of Health have found that regardless of how much child care a child receives, its effects are dwarfed by the influence of family. Even if it could be proven that child care is good for most children, every child has unique needs. The best solution to the day care debate is to allow parents to make the decisions that require keeping the unique needs of each child in mind.

## ***So What's the Problem?***

The facts show that the child care market per se is healthy. Child care is available, affordable, and of good quality. There is no public demand for a federal child care plan, so why is there so much talk about child care? According to Rep. George Miller (D-Calif.), who worked to pass a similar child care proposal 10 years ago, the child care movement is pure politics. “The fact is that I spent eight years in getting the child-care bill passed in Congress, and at its zenith, there was never a child-care movement in the country. There was a coalition of child-advocacy groups, and a few large international unions that put up hundreds of thousands of dollars, and we created in the mind of the leadership of Congress that there was a child-care movement—but there was nobody riding me. And not one of my colleagues believed that their election turned on it for a moment. There wasn't a parents' movement.”

What appears to be driving this so-called movement is the assumption that parents can't be trusted to protect their children. In fact, First Lady Hillary Rodham Clinton suggests that parents don't know what constitutes quality child care. As she puts it, parents often “don't know what is

quality. If somebody's nice to them, it doesn't matter that they don't know the difference between caring for a 1-year-old or a 4-year-old."

## ***The Right Response***

State, local, and federal tax dollars already pay 40 percent of all child care expenditures in the country. Of course a serious reading of the Constitution would never have allowed that level of intervention in the first place, but that is a discussion for another *Handbook* chapter. Certainly, though, President Clinton's prescription for a dramatic increase in federal involvement in child care cannot be squared with the notion of a national government whose powers are enumerated and thus limited by the Constitution.

Parents do not want federal day care programs, rules, and regulations; they want options. Parents want to be able to select the best providers for their children, whether themselves, family members, or educational learning centers. The best way for politicians to facilitate choice is with a direct tax cut.

Consider: A poll conducted for *Glamour* magazine found that 84 percent of women who were employed full- or part-time agreed with the statement, "If I could afford it, I would rather be at home with my children." Polls conducted by the Families and Work Institute show that nearly 7 of 10 parents report wanting to spend more time with their children. Those poll results are consistent with other polls showing that the overwhelming majority of parents, mothers and fathers alike, say they want to spend more time with their children—they simply can't afford to do so. In the modern age, in this era when taxes are so high that it often takes two full-time breadwinners to raise a family, those choices have become enormously expensive.

An across-the-board tax rate cut would help all parents, those using parental care and those using day care. For some parents, that would mean more money for a different day care provider; for other parents, probably the majority, that would mean working less and spending more time with their children. We must remember that parents, not politicians, are best equipped to make decisions about child care arrangements—decisions that require keeping the unique needs of each child in mind. If the federal government could do one thing to help all children have the best possible child care, it would be to restore parental choice by cutting taxes.

## 10 Reasons Children Don't Need a Federal Nanny

1. What constitutes quality day care for one child does not necessarily constitute quality care for another. Only parents have the information to match the research on child care against the unique needs of their children.
2. Parents say “quality” is the most important factor in their choice of arrangements.
3. Ninety-six percent of parents across all socioeconomic groups are satisfied with their arrangements.
4. Forty percent of women with children under six do not work. When mothers do work, half of their child care arrangements do not require a cash payment.
5. Employed mothers above the poverty level who do pay for child care spend an average of \$76 a week; those below the poverty level spend \$50 a week.
6. Child care fees have risen less than 5 percent in real terms since the 1970s.
7. Nine of 10 parents say they would pay more for their arrangements.
8. The supply of child care has kept pace with demand. Seven of 10 parents say finding good quality child care is “no problem at all.”
9. Child care centers report a 12 percent vacancy rate, and roughly 40 percent of family day care providers report having space for more children.
10. Employers, unions, and local communities have responded to parents’ demands for affordable child care. More than half of all families report having some employer benefit or policy that helps them manage child care responsibilities.

### *Suggested Readings*

Olsen, Darcy. “The Advancing Nanny State: Why the Government Should Stay Out of Child Care.” Cato Institute Policy Analysis no. 285, October 23, 1997.

\_\_\_\_\_. “The Caring for Children Act: ‘Me Too’ Child Care Plan.” Cato Institute Fact Sheet, February 2, 1998.

\_\_\_\_\_. “State of the Union, Issue: Child Care.” Cato Institute Fact Sheet, January 30, 1998.

Rector, Robert. “Facts about American Families and Day Care.” Heritage Foundation F.Y.I. no. 170, January 21, 1998.

\_\_\_\_\_. “Fourteen Myths about Families and Child Care.” *Harvard Journal on Legislation* 26 (1989).

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