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Statistical Brief

What Does It Cost to Mind the Kids?

Employed women spent an estimated \$16 billion on child care arrangements during 1987. The care may come from family members, neighbors, or friends or from organized facilities such as day care centers or nursery schools.

This brief provides the latest information from the U.S. Census Bureau on child care costs. The data come from the Survey of Income and Program Participation. In the survey, we asked wives in married-couple families who were employed or in school questions about child care arrangements. In families where there was only one parent, we obtained information from that parent. The data presented in this brief cover the 29 million children under age 15 of employed mothers.

Two-thirds of preschool-age children of employed mothers — the primary recipients of child care — received care in a home environment. Another quarter received care in organized facilities such as nursery schools or day care centers. These proportions have not changed significantly since the winter 1984-85 survey.



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Employed women are spending more on child care.

There were nearly 19 million employed women with children under 15 years old in fall 1987. One-third of them (6 million) made cash payments for child care. They paid an average of \$49 per week, up by \$8 per week in current dollars (\$5 per week in constant 1987 dollars) from winter 1984-85. The average monthly family income of women using paid child care services was about \$3,200. These pay-

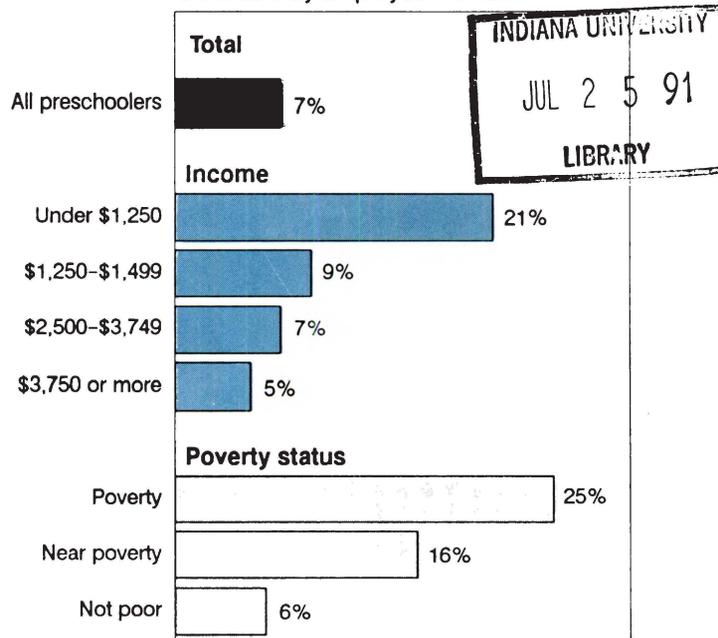
ments constituted 7 percent of their income.

Poor women are less likely to pay for care than other women.

About 8 percent of employed women with children under 15 years old (more than 1.4 million) were living in poverty. One in 4 of them paid for child care, compared with 1 in 3 women who were not poor. Poor women spent an average of \$35 per week for these services; women

Poor Families Spend a Larger Share of Their Income on Child Care Than More Well-to-Do Families

Percent of monthly family income spent on child care by employed women



Note: "Near poverty" refers to women whose income is between 100 and 125 percent of the poverty threshold.

who were living in families that were not poor spent an average of \$50 per week. Poor women who did pay for child care spent proportionately more of their income on such arrangements than did those with higher incomes.

Economic status plays a major part in the choice of child care.

Child care arrangements differ markedly for different income groups. Poor women and those near the poverty level often rely on relatives outside the immediate family for help in caring for their preschool children. Grandparents, aunts, uncles, and other relatives often come to the rescue, in many cases providing care in the parent's home.

One-fifth of the preschool children of poor, employed women were cared for by their grandparents. Women who were neither poor nor near the poverty line relied much less on relatives for child care. Only 1 in 8 of their preschool children were cared for by grandparents. These women relied more on nonrelatives in another home (23 percent) for child care than did poor women (15 percent).

Child care costs differ according to the child's age.

Women with preschoolers were three times as likely to pay for child care as women whose youngest child was 5 or older. More than one-half of women with young children made such payments. Only 16 percent of women with older children made such payments. School serves as the predominant form of child care for children 5 and older.

Women with children under 5 paid \$50 to \$60 weekly, depending on the child's age, for child care while women with school-age children paid \$35 per week. Women with preschoolers spent a slightly higher percentage of their monthly family income on

child care (8 percent) than did those with children 5 or older (5 percent).

Work disruption is more likely when one has preschoolers.

About 9 million employed women arranged to have care for their children by nonrelatives or relatives outside the immediate family. Seven percent had lost time from work in the month before the survey, as a result of a failure in child care arrangements. The percentage of women missing time from work due to a breakdown in child care arrangements was somewhat higher for women with children age 2 and under compared with older children.

For information on child care arrangements: See-

Who's Minding the Kids? Child Care Arrangements, 1986-87, Current Population Reports, Series P-70, No. 20. For sale by U.S. Government Printing Office.

Stock No. 803-044-00008-2, \$2.25. For telephone orders, call (202)/783-3238.

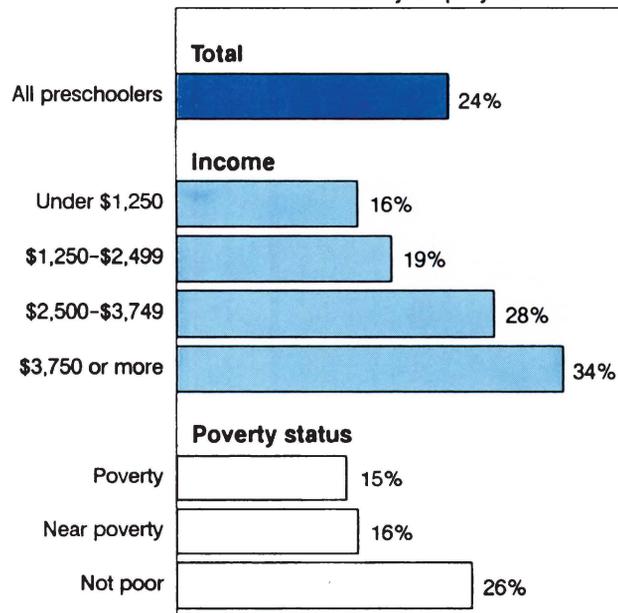
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This brief is one of a series that presents information of current policy interest. It may include data from businesses, households, or other sources. All statistics are subject to sampling variability as well as survey design flaws, respondent classification and reporting errors, and data processing mistakes. The Census Bureau has taken steps to minimize errors, and analytical statements have been tested and meet statistical standards. However, because of methodological differences, caution should be used when comparing these data with data from other sources.

Poor Families Are Less Likely to Use Organized Child Care Facilities Than More Well-to-Do Families

Percent of preschoolers placed in organized child care facilities by employed women



Note: "Near poverty" refers to women whose income is between 100 and 125 percent of the poverty threshold.