

# A New Safety Net for Low-Income Families

Number 3



America's low-income working families are struggling to get by, too often making impossible choices among food, housing, and health care because their incomes do not stretch far enough. Government safety nets were reformed in the mid-1990s with the promise that work would pay. But that promise remains unfulfilled for many families. This series of essays explores the challenges these vulnerable households face and suggests ways to protect them and help them thrive—urgent goals with far-reaching benefits for our children, our families, and our economic future.

## Supporting Parents' Employment and Children's Development— Summary

Shelley Waters Boots, Jennifer Macomber,  
and Anna Danziger

Parents in low-wage jobs face a double jeopardy: they lack both the time and resources needed to fill their dual roles of worker and parent. Measured against family needs and the high cost of child care, work can seem like a losing proposition to many low-income parents. In the policy world, employment and child development are often discussed separately. We propose new integrated policies—the “Family Security” approach—that encourage and support parents' work but also promote the health and development of children.

### FOUR KEY CHILD DEVELOPMENT NEEDS

Seven in ten low-income families have at least one working parent. While many families struggle with the right work-family balance, the task is harder for low-income parents. They have fewer resources to pay for quality child care or social activities, greater vulnerabilities, and less flexibility in their work schedules.

Our framework rests on four key child development needs: stability, health, nurturing, and activity. Children need consistent routines and stable housing, but this can be difficult for parents with irregular schedules and unstable incomes. Children's physical development depends on a healthy diet and regular doctor visits, but low-income parents may not earn enough to consistently provide healthy food and may not have health insurance. They may work atypical hours that cause

them to lose out on time nurturing their children—a critical concern for young kids who need steady parenting. And children need activities and opportunities to play with other kids, but poor families often can't afford high-quality child care or the cost of clubs, sports, or camps.

### RECOMMENDATIONS

Work policies rarely take into account children's development needs. Our Family Security approach considers both, helping parents balance work and family.

- *Affordable, quality child care:* The federal government does subsidize child care for low-income parents, allowing them to work, but the unmet need is substantial. We recommend replacing the current block grant with a federal guarantee of assistance for all families who work at least 20 hours a week and have incomes below 250 percent of the federal poverty level. Families would have a co-pay of 3 percent of their income below the poverty level and 10 percent of any income above that.<sup>1</sup>

To guard against disruptions in child care, subsidies should continue for up to three months during spells of unemployment. Also, policymakers should consider changing the child and dependent care tax credit to give a progressive, universal benefit to all families—that way, families phasing out of the guarantee avoid a benefit drop-off.

To ensure affordable care is also quality care, we recommend a ratings system that helps parents choose the best care for their kids and encourages providers to improve quality for higher reimbursements. Finally, we recommend greater investment in

afterschool services, particularly in poor communities with low-performing schools.

- *Time for parents to care for children:* Forty-nine percent of all workers and 77 percent of those in the bottom fifth of the income ladder don't have paid sick leave. So, for many low-income families, a sick child who needs to stay home can mean lost wages, even a lost job. Less than 5 percent of private-sector workers have access to paid family leave to care for a newborn or adopted child.

We recommend a national leave policy providing at least seven days of paid sick leave annually for everyone who works at least 20 hours a week. We also suggest at least two months of paid parental leave over a 12-month period, reimbursing parents a minimum of 55 percent of their wages (paid for from a state fund composed of employee contributions). Policymakers can also enact a "right-to-request" flexible work schedules law, modeled after a law in the United Kingdom that allows workers to request a change in hours, schedule, or work location and requires employers to negotiate a solution.

- *Comprehensive family supports:* Head Start and Early Head Start give educational, health, nutritional, social, and other services to very young kids, particu-

larly those in low-income families. Both programs could be strengthened. We recommend fully funding Head Start for families with incomes below the federal poverty level and using Early Head Start as a hub for coordinating child development services. We also suggest creating a dedicated Comprehensive Early Childhood Bridge Fund to allow states to issue contracts to child care providers to provide high-quality comprehensive services to children age 0 to 5 who live with working parents.

### OUTCOME

Our Family Security approach calls on every sector of society to contribute to child development. Parents are required to work, employers are asked to make modest investments in flexible work options and paid sick leave, and state and federal governments invest more in quality child care and family support programs. These policies together help parents better juggle work and family responsibilities, while furthering their children's development.

### NOTE

1. This recommendation builds off a policy proposal by Mark Greenberg from the Center for American Progress.

<b>RESEARCH DOCUMENTS CHILDREN'S KEY NEEDS</b>	Stability	Family routines Child care Family structure Housing
	Health	Healthy diet Consistent bedtimes and sufficient sleep Health care access and availability
	Nurturing	Healthy attachment to caregivers Interaction with caregivers
	Activity	Opportunities for play and structured activities

For the full report, see "Family Security: Supporting Parents' Employment and Children's Development" by Shelley Waters Boots, Jennifer Macomber, and Anna Danziger.

The research for this publication was funded by the Charles Stewart Mott Foundation, with dissemination support from the Annie E. Casey Foundation. The views expressed are those of the authors and do not necessarily represent those of the Urban Institute, its board of trustees, or its sponsors.