



Bridging the Gap

Executive Summary

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In recent years, the changing economy has put a spotlight on the issue of helping low-wage and low-skill workers advance in the job market. New economic realities have focused attention on how to design effective workforce development strategies to help these workers succeed and to better address barriers they may face. A key barrier that affects low-income parents seeking to advance is a lack of child care, which may be caused by high costs or limited availability of suitable options. A lack of child care can make it difficult for parents to invest time in improving their work skills through training or education activities.

Although it seems obvious that child care is a critical service for some low-wage or unemployed parents, relatively little attention has been paid to the issues that lie at the intersection of child care needs and workforce development efforts.¹ With support from the Ford Foundation, the Urban Institute is undertaking an examination of this intersection to spur a dialogue on the critical issues and solutions related to supporting the child care needs of parents in workforce development programs. This brief summarizes one of a series of reports from this project, *Bridging the Gap: Exploring the Intersection of Workforce Development and Child Care*. The full report provides an overview of each system and the issues that lie at the intersection of these two systems in the lives of families.

What Do We Know about Low-Income Parents and Workforce Development?

There is no national estimate of the number of low-income parents who want or need workforce development programs (or of the proportion of low-income parents who face child care barriers that might prevent them from enrolling in or completing such programs). However, a review of national data suggests the following key points:

1. Of the 21 million parents who are low income, almost three out of five (58 percent) have low education levels (a high school credential or less).² One in six US adults has only basic or lower levels of literacy, and almost a third possess only basic or lower levels of numeracy (OECD 2013).
2. Only about 1 in 10 low-income parents reports being enrolled in some form of education and training. A significant portion (about half) of low-income parents in education and training also work, and many have circumstances that suggest they are likely to need child care, such as being single (59 percent); having children younger than 6 years old (69 percent) or younger than 3 years old (42 percent); or having more than one child (almost half have two or more children) (Eyster, Callan, and Adams 2014).
3. Low-income parents not participating in any form of education or training have even lower levels of education, are equally likely to have younger children, and are more likely to have more than one child (Eyster, Callan, and Adams 2014).
4. Whether looking at national data or data from specific workforce development programs, parents are underrepresented among low-income individuals in education and training.³
5. Some research suggests that parents may face challenges completing education and training activities (US Department of Education 2013b).

Overall, the national data paint a picture of a large population of low-income parents who would likely benefit from workforce development programs, but the data also suggest that these parents may face challenges related to child care that could create barriers to their ability to access or succeed in these programs.

What Key Elements of the Workforce Development System Have Implications for Child Care?

For individuals from other systems (such as child care and early education systems) working with low-income families, the range of workforce development programs, service types, funding streams, and local program operators can be overwhelming. To better support parents seeking education and training, individuals in the child care field need to understand the following key elements of the complex workforce development system:

- Workforce development programs encompass the range of activities that help people prepare for jobs (such as adult education, training, and postsecondary education services) and find jobs (through job placement support). Workforce development programs also include supportive services related to these two major efforts.
- Many different funding streams support workforce development programs. The major funding stream for the workforce development system is the Workforce Innovation and Opportunity Act (previously known as the Workforce Investment Act). Other sources of funding for workforce development programs and activities include the Carl D. Perkins Career and Technical Education Act, the Pell Grant Program, and Temporary Assistance to Needy Families, along with numerous other funding streams at the federal, state, and local levels.
- Funding may be inadequate to address the needs of the low-income parents in need of education and training. In addition, funding levels vary across different types of workforce development activities. For example, federal financial aid, which can support students in vocationally oriented programs as well as traditional education programs, dwarfs what is available through the Workforce Innovation and Opportunity Act, which is considered the main funding stream for the public workforce system.
- Although child care is an allowable service with the supportive-service funds available under the Workforce Innovation and Opportunity Act, it can be quite costly, and many states and localities choose not to expend their scarce resources on child care services.
- Oversight of the workforce development system is complex. The US Departments of Labor, Education, and Health and Human Services are the primary actors at the federal level, but other federal agencies also oversee workforce development programs, and wide variation exists at the state and local levels in terms of who is responsible for setting policy, implementing policy, or delivering services.
- There is wide variation in the schedules, duration, and intensity of workforce development programs. This variability has implications for child care, as it means that there is not a single approach that will work for all individuals engaged in workforce development activities.
- The quality of workforce development programs is also relevant to child care. Some state child care agencies have made an effort to link subsidies to workforce development activities that are likely to lead to employment.

What Key Elements of the Child Care System Have Implications for Workforce Development?

Many aspects of the child care system are relevant for those in the workforce development system who are working to meet parents' needs, including the following:

- There are different types of child care—including center-based child care, family child care (care in the home of a nonrelative), and relative care—and the proportion of children in each form of care varies by age. It is fairly common for families to use more than one child care setting in any given period because they have multiple children and because they need more than one setting to cover their needs (Laughlin 2013).
- The schedules of child care options vary by provider, with center-based care generally following workday schedules, prekindergarten and Head Start following part-day or school-day schedules, and home-based care (particularly care provided relatives and friends) being more likely to have flexible hours (such as care during evenings and weekends).
- The cost of child care can be high, though how much families actually spend depends on such issues as the type of care they use, how much care they use, and how many children they have in care (Child Care Aware of America 2014; Laughlin 2013).
- The primary funding stream for child care is the federal-state Child Care and Development Fund (also known as the Child Care and Development Block Grant), which focuses on helping low-income parents pay for care so they can work or participate in education and training (Adams et al. 2014). Other major sources of funding include the federal Head Start program and state prekindergarten programs focused on providing early educational experiences to (primarily) three- and four-year-old children (and some infants and toddlers through Early Head Start).
- None of the public funding streams for child care or early education are sufficient to meet the needs of all eligible families, though the gap between needs and services can vary across states (ASPE 2012; Barnett et al. 2013; Matthews and Schmit 2014; Office of Head Start 2013, 2014; Schmit et al. 2013).⁴
- The extent to which Child Care and Development Fund funding is used to support parents in education and training programs is generally rather small, but varies widely across states (Adams et al. 2014). Little is known about the extent to which Head Start or prekindergarten programs serve families in education and training.
- In providing child care to parents in education and training, it is important to consider the quality of care in terms of supporting children’s development, as well as the extent to which it supports parents’ ability to work or participate in education and training.
- Various factors can shape child care needs and decisions, including parent characteristics (such as income, work status and schedule, child care preferences, transportation options, language capabilities, and number and ages of children), children’s characteristics and needs, the timing and amount of care parents need, the supply of care that matches their needs, whether there are resources available to help pay for care, and whether parents know about the child care options that may be available to them.

What Are the Challenges and Opportunities at the Intersection of These Systems?

This research identified various challenges and opportunities at the intersection of child care and workforce development. Understanding these issues can help highlight potential strategies for meeting the child care needs of low-income parents in education and training. The following observations and concerns emerged:

- The workforce development and child care systems have shared goals and serve overlapping populations.
- The two systems face common challenges that create barriers to working together, including separate, complex, and disconnected systems; a diverse set of funding, services, local service providers, and possible places of intersection; and funding levels that allow only a fraction of eligible families to be served.
- Low-income parents who need child care to participate in education and training are not a priority of either system.
- Each system appears to have some policies and incentives that can create barriers to meeting the needs of these families.
- Particular aspects of the intersection of the systems appear likely to be especially problematic for families. These challenges include arranging child care for the diversity and complexity of workforce development program schedules; financial constraints and limited access to subsidies or free care, which make it difficult for parents to afford care; the limited supply of appropriate child care options overall, with an even more limited supply of high-quality stable care; and limited information about child care options.

Various strategies may be effective in beginning to address some of these challenges. They include the following:

1. Identify and address systemic barriers within the workforce development and child care systems (such as funding, policy, and implementation practices) that create additional challenges to meeting the child care needs of parents seeking education and training. Examine what leverage points within each system could be used to facilitate better support for these parents, and, conversely, what barriers exist in each.
2. Identify and evaluate promising practices that child care and workforce development programs can undertake to help low-income families with their child care needs to support education and training. These strategies include, for example,
 - » helping participants develop a child care plan and focusing on the coordination of child care services as a part of case management, counseling, or advising services, whether provided directly or in partnership with other service providers;

- » providing information and referral services to help parents understand their child care options and choose good care that meets their unique needs;
- » reducing the costs of child care by linking families to financial assistance or free care, providing subsidies to directly defray the costs of child care, funding slots with local child care providers to provide care, or directly providing low-cost or free child care and early education services; and
- » adopting innovations for workforce development programs that accommodate parents, such as distance and online learning, self-paced curricula, and alternative scheduling.

In identifying promising strategies, it is essential to examine circumstances that are likely to shape the effectiveness of any effort. What strategies would work for different stakeholders, different program models, or different families? What barriers may impede implementing such strategies more widely? Working together, child care and workforce systems and stakeholders can provide specific combinations of these services, depending on funding restrictions, population served, available resources, and capacity.

Conclusion

For low-income parents seeking increased family economic security through education and training, child care is critical. Lack of adequate support will not only impede these parents' ability to make important changes in their lives, but will also have negative ramifications for their children, who will likely continue to live in poverty. Failure to meet the child care needs of parents directly undercuts the stated goals of both workforce development systems and child care systems.

Given the complexity of low-income parents' lives and the systems that support them, no single solution is likely to meet the needs of this group. Solutions must be flexible, and a variety of options must be available to meet parents' needs. Initial findings from this project suggest that meeting the needs of low-income parents facing child care barriers is an issue of urgency to individuals working on the front line to support parents' ability to obtain education and training. Further investigating policies and strategies that can support these efforts, and identifying ways to share information and promising strategies, will provide important resources to child care and workforce development stakeholders who are working for these families.

Notes

1. One exception is research by the Institute for Women's Policy Research, which has highlighted the child care issues faced by parents in post-secondary education. See Boressoff (2013) and Firlein, Gault, and Nelson (2013).
2. Numbers based on unpublished analyses from the 2008 Survey of Income and Program Participation.
3. This finding is based on unpublished analyses of the 2008 Survey of Income and Program Participation, as well as a review of Eyster and colleagues (2014) Social Policy Research Associates (2013), and reports by the US Department of Education (2013a and 2014).
4. "Child Care Access Means Parents in School Program: Funding Status," US Department of Education, last modified January 5, 2015, <http://www2.ed.gov/programs/campisp/funding.html>.

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