



## Children in Low-Income Families Are Less Likely to Be in Center-Based Child Care

by Jeffrey Capizzano and Gina Adams

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The child care arrangements of children younger than 5 with working mothers vary by income.<sup>1</sup> Children in higher-income families—particularly 3- and 4-year olds—are more likely to be placed in center-based arrangements while low-income children are more likely to be in the care of relatives. These differences may have implications for the school-readiness of low-income children.

This Snapshot uses the 2002 National Survey of America's Families (NSAF) to examine differences in the primary child care arrangements of low- and higher-income children with working mothers. We define low-income families as those with incomes below 200 percent of the federal poverty thresholds, while higher-income families are those with incomes at or above that level. The primary child care arrangement is the one in which the child spent the most hours while the child's mother worked. To be counted as a child care arrangement, the arrangement had to be used regularly, defined as at least once a week during the past month. Child care arrangements include center-based child care (child care center, Head Start, nursery school, preschool, prekindergarten, and before- or after-school programs); family child care (care by a nonrelative in the provider's home); baby-sitter or nanny care (care by a nonrelative inside the child's home); relative care (care by a relative in either the child's or the provider's home); and parent/other care (those children whose mothers did not report the use of any regular child care arrangement while they worked).<sup>2</sup>

### Major Findings

Large percentages of both low- and higher-income children under 5 with employed mothers were in some form of nonparental care while their mothers worked. Overall, 72.8 percent of children under 5 with employed mothers were cared for regularly by someone other than their parents. Higher-income children were more

likely than low-income children to be in some form of nonparental child care (74.6 percent compared with 68.7 percent, respectively, as shown in table 1).

Higher-income children were more likely than low-income children to be in center-based arrangements (31.2 percent compared with 24.9 percent). This overall difference was due largely to differences among older preschool children: 45.5 percent of higher-income 3- and 4-year-olds, but only 36.4 percent of low-income chil-

dren in this age group, were in center-based care.<sup>3</sup> These differences between low- and higher-income children hold when looking at any regular use of center-based care (data not shown), as well as when examining the primary child care arrangement.

Children in low-income families were more likely than higher-income children to be placed in relative care. Among all children under 5 with working mothers, 29.5 percent of low-income children were in relative care compared with only 23.9 percent of higher-income children. Similar differences existed in the use of relative care among both younger and older preschool children, though the difference is only statistically significant among younger children. Among infants and toddlers, 31.7 percent of low-income children were in relative care compared with 25.8 percent of higher-income children.

Higher-income children were also more likely than their low-income counterparts to be in family child care homes and with a nanny or baby-sitter. The difference in the use of family child care by income is similar for younger and older preschool children, while the overall difference in nanny/baby-sitter care is driven by differences among younger preschool children.

### Discussion

Higher-income children (especially 3- and 4-year-olds) were more likely to be in center-based arrangements in 2002, while low-

#### DATA AT A GLANCE

73 PERCENT OF CHILDREN YOUNGER THAN 5 WITH EMPLOYED MOTHERS ARE REGULARLY IN CHILD CARE.

46 PERCENT OF HIGHER-INCOME 3- AND 4-YEAR-OLDS ARE IN CENTER-BASED CARE COMPARED WITH 36 PERCENT OF LOW-INCOME CHILDREN.

CHILDREN IN LOW-INCOME FAMILIES ARE MORE LIKELY THAN HIGHER-INCOME CHILDREN TO BE PLACED IN RELATIVE CARE (30 PERCENT COMPARED WITH 24 PERCENT).



**Table 1. Primary Child Care Arrangements for Children under Age 5 with Employed Mothers, by Age and Family Income (percent)**

	All Children under 5		Children under 3		3- and 4-Year-Olds	
	Low-Income <sup>a</sup>	Higher-Income <sup>a</sup>	Low-Income	Higher-Income	Low-Income	Higher-Income
<b>Nonparental</b>	68.7*	74.6	62.3*	67.6	77.0*	84.1
Center-based	24.9*	31.2	16.2*	20.6	36.4*	45.5
Family child care	10.7*	14.2	11.0*	14.7	10.3	13.6
Nanny/baby-sitter	3.5*	5.3	3.3*	6.5	3.8	3.7
Relative	29.5*	23.9	31.7*	25.8	26.5	21.3
<b>Parent/other<sup>b</sup></b>	31.3*	25.4	37.7*	32.4	23.0*	15.9

Source: 2002 National Survey of America's Families

Note: Percentages for nonparental care may differ from sum of subcategory percentages due to rounding.

<sup>a</sup> Low-income is defined as below 200 percent of the federal poverty thresholds and higher-income as 200 percent of the federal poverty thresholds and above.

<sup>b</sup> Parent/other category contains children whose mothers did not report the use of any regular child care arrangement while they worked.

\* Estimate for low-income children is significantly different from estimate for higher-income children at the 0.10 level.

income children were more likely to be in relative care. These findings are important for two reasons. First, while the quality of each form of care can vary significantly and relative care has certain advantages, there is some evidence that quality center-based arrangements may play an important role in enhancing the skills necessary for a child's successful transition to school (see, for example, National Institute of Child Health and Human Development Early Child Care Research Network 2000).<sup>4</sup> Thus, the disparity between low- and higher-income children in the use of center-based care may represent a missed opportunity to assist low-income children in becoming school-ready.

Second, while it is unclear whether these findings reflect differences between low- and higher-income families in their preferences for care or differences in the constraints upon them, it seems likely that cost is an important factor in shaping the child care choices of low-income families. This hypothesis is supported by the data; relative care, which is often free or inexpensive, is the most common form of nonparental care among low-income children, while the more expensive forms of nonparental care are more prevalent among children in higher-income families. Therefore, it seems important for policymakers to further expand efforts to make the cost of child care less of a barrier so parents can choose the option they consider most appropriate for them and their children.

## References

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## Endnotes

<sup>1</sup> Data on child care arrangements were obtained by conducting interviews with the adult most knowledgeable about the child. Since this person was most often the mother (71.5 percent), the term "mother" is used here to refer to this respondent.

<sup>2</sup> The survey did not ask questions about parental care, which can include care provided by the other parent or care by the mother while she worked. Children whose mothers did not report them to be in a regular child care arrangement are assumed to be in parent/other care.

<sup>3</sup> The income patterns for all children under 5 appear similar to those in 1999, and there seems to have been little change in the distribution of child care arrangements among both low- and higher-income families from 1999 to 2002. See Sonenstein et al. 2002.

<sup>4</sup> The quality of center-based care is a key factor in whether a child's participation will yield positive outcomes. Center-based arrangements that meet recommended standards of child care quality are significantly more likely to improve cognitive outcomes than centers that do not meet those standards (see, for example, NICHD 1999).

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Jeffrey Capizzano is a research associate and Gina Adams is a senior research associate in the Population Studies Center at the Urban Institute.

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SNAPSHOT 3  
of America's Families



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