

Low-income parents say child care subsidies help them keep jobs

March 20 2013, by Jeff Grabmeier

Low-income parents who receive federal child care subsidies are more satisfied with their child care than those who don't receive such help, according to a recent study.

A survey of <u>parents</u> in Missouri found that nearly nine in 10 subsidy recipients reported the funds were a tremendous boost to their family's ability to work and make a living.

In addition, those who received subsidies were less likely to have problems with work flexibility, indicating that they had an easier time balancing work and family.

The results show the importance of <u>child care</u> subsidies in allowing low-income parents to successfully find and keep a job, said Amber Moodie-Dyer, lead author of the study and assistant professor of <u>social work</u> at The Ohio State University.

"Subsidies allow many parents to get better child care than they could have afforded without such assistance," Moodie-Dyer said. "It may help a lot of parents stay employed."

But the study also showed that the <u>subsidy program</u> was underutilized—while two-thirds of those surveyed were eligible for subsidies, only slightly more than one-third (37 percent) actually received the assistance.



Moodie-Dyer conducted the study as a <u>doctoral student</u> in social work at the University of Missouri. Her co-author was Colleen Galambos, a professor of social work at Missouri.

Their results appear in a recent issue of the journal Families in Society.

The study involved 156 low-income parents in Boone County, Mo., who were recruited from the Women, Infant and Children (WIC) program, the public library and a Head Start parenting class.

Missouri, like most states, provides child care subsidies to low-income parents through the federal Child Care and Development Block Grant. The program reimburses parents or child care providers directly for either the partial or full cost of care, depending on state guidelines.

Of the 156 surveyed, 57 were currently receiving child care subsidies.

One of the key findings was that those who received subsidies were happier with their child care.

"In our survey, 59 percent who received subsidies said they felt they had more child care choices because of the money they received. That's important. They may also be able to pay for slightly higher-quality child care, and feel better about that," she said.

Parents who received subsidies were more likely to use nonrelative caregivers, the study found.

Those who were receiving subsidies reported using about 15 percent of their income on child care, compared to the 19 percent spent by those who weren't receiving subsidies.

"That's good—subsidies should help families to spend less of their



income on child care. But the federal government recommends spending no more than 10 percent of income on child care, so there's still a way to go," Moodie-Dyer said.

In addition, 87 percent agreed that "child care subsidies are a tremendous boost to our family's ability to work and make a living."

"If we want to keep people off of welfare, child care subsidies need to be an important part of that effort," Moodie-Dyer said.

However, she said, states need to address the fact that many eligible families don't participate in the program. Moodie-Dyer argued that states should make a concerted effort to reach out to more low-income parents to make them aware of the program and help them apply.

At this time, Missouri and most other states don't have the funding to support child care subsidies if everyone who is eligible actually applied, she added.

"But if there were more awareness and more families asking for help, that may create more of an impetus to increase funding in the states."

Provided by The Ohio State University

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