



When Women Succeed, America Succeeds: An Economic Agenda for Women and Families promotes policies to ensure that working parents having access to affordable and high-quality child care.

The Problems:

- There is a drastic lack of quality preschool for three and four-year-olds in the U.S. In most other industrialized countries, there is universal preschool for three and four-year-olds. Indeed, the U.S. ranks 28th out of 38 countries in the share of four-year-olds enrolled in preschool, according to the Organization for Economic Cooperation and Development (OECD), including such countries as Chile and Argentina.
- In addition to the lack of quality preschool for 3 and 4-year olds in the U.S., the lack of availability of affordable and high-quality child care in this country has reached crisis proportions. Nearly two-thirds of American women with pre-school age children work; yet in the U.S., families are generally left on their own for providing child care.
- Today, child care is a necessity for most families with preschool children because households need two incomes to pay all the bills. Yet quality, affordable child care in too many communities across the country is hard to find, difficult to afford and of dubious quality. Regardless of income bracket, the high cost of child care is a struggle for most families. The average cost of full-time child care for one child in a day care center in 2011 ranged from \$4,000 to \$12,000 depending on the state.
- The current child care tax credit is inadequate in helping make child care more affordable. Most families with preschool children say that child care is the second-highest household expense behind mortgage or rent payments in their budgets. Some families with more than one preschool child have to pay more than \$1,500 a month in child care expenses. With the maximum child care tax credit stuck at \$3,000 per child, it falls short in the help it provides families.
- Although child care is very expensive for parents, child care workers are very poorly paid. The mean hourly wage for child care workers is \$9.73 an hour, falling short of coatroom attendants and short-order cooks, and barely outpacing dishwashers and burger flippers. Working full-time, year-round at \$9.73 an hour results in annual pay of about \$20,000, roughly the poverty level for a family of three.
- We must also ensure that the expanded Child Tax Credit of 2009, which helps low-income families with children, is made permanent. Nearly 9 million families have benefited from the expansion, lifting 2 million children from poverty. Yet the expansion is set to expire in four years. Today, a family with one minimum wage worker and two children receives a child tax credit of \$1,812. If the expansion is not made permanent, the credit will drop to \$267.
- Finally, inadequate access to child support is another key problem. Ensuring child support is especially important for low-income families. For low-income families who receive it, child support represents 40 percent of family incomes and reduces the poverty rate for children in these families by nearly 25 percent.

The Solutions:

- President Obama's Preschool and Early Head Start/Child Care Initiative
- Promote Affordable and High Quality Child Care
- Adequate Funding of Child Care Programs
- Adequate Training and Pay for Child Care Workers
- Expand Child Care Tax Credit
- Make Child Tax Credit Permanent and Indexed
- Increase Access to Child Support