

This ICPH research brief is the seventh in a series that highlights the characteristics of families with young children who become homeless in the urban United States. The series explores poverty in the context of housing status and puts a spotlight on the characteristics that make families who experience homelessness different from otherwise similar poor families who maintain stable housing. While the first six briefs in this series examined differences in factors contributing to family homelessness, the current brief shifts the focus to child well-being and investigates differences in child care that correspond to differences in housing status. This brief makes a case for increased federal investment in child care supports.

Child Care Type

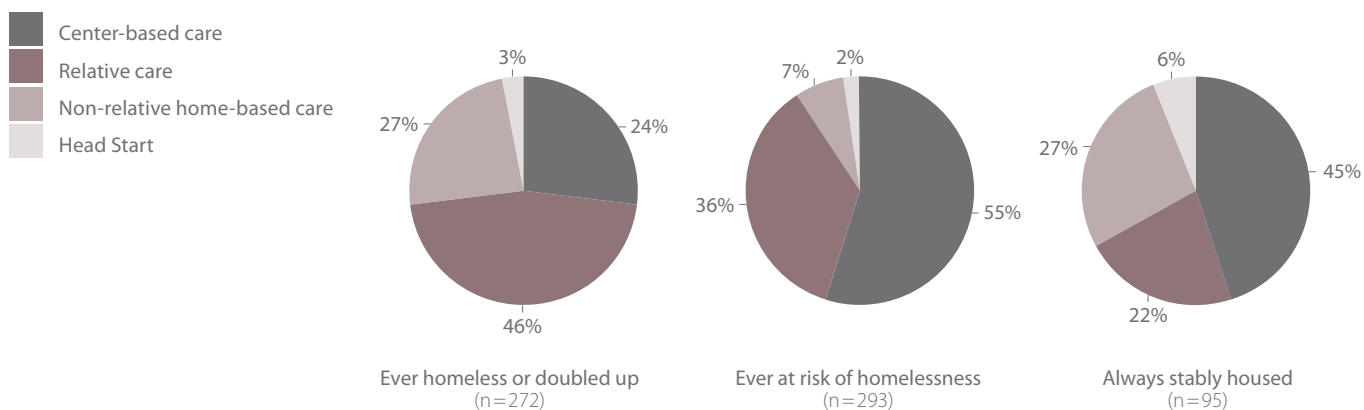
This brief uses data from the Fragile Families and Child Wellbeing Study (FFCWS), a national survey tracking nearly 5,000 families for five years after the birth of each family's focal child (see description on back). Figure 1 breaks down the primary types of child care unmarried and employed mothers used when the focal children were approximately three years old by the families' housing status—ever homeless or doubled up, ever at risk of homelessness, or always stably housed—over the five-year period. Child care type and quality are closely related; enrollment in formal, center-based programs has been linked to improved social, cognitive, and language skills for low-income children (see “In Context:

Child Care Quality and Child Outcomes,” page 2). Homeless families relied at high rates on informal sources of care, such as care from relatives, friends, or neighbors; while approximately half of stably housed and at-risk mothers used center-based care (45% and 55%, respectively), less than a quarter of children in ever-homeless families (24%) received child care in centers. In contrast, a greater proportion of ever-homeless mothers relied on relative care (46%) than did ever-at-risk (36%) and stably housed mothers (22%). Enrollment in Head Start was low among all poor mothers, but the proportion of stably housed mothers using the program (6%) was greater than that of unstably housed mothers (3% for ever-homeless and 2% for ever-at-risk mothers).

Figure 1

TYPE OF CHILD CARE USED AT YEAR 3 (UNMARRIED AND EMPLOYED MOTHERS USING CHILD CARE)

(by housing status years 1–5)



Source: Source: ICPH analysis of Fragile Families and Child Wellbeing data. n = 660. Excluded are mothers who did not participate in the year-five survey, do not live with the focal child at least half of the time at year five, do not have valid sample weights, report an average (baseline to year five) income-to-poverty ratio greater than 1.25, were married at year five or were unemployed at year three, or who did not use child care at year 3. Differences in use of center-based care are statistically significant at 10% for ever-at-risk vs. always stably housed or ever-homeless women. Differences in use of relative care are statistically significant at 10% for ever-homeless vs. ever-at-risk or always stably housed women. Differences in use of Head Start are statistically significant at 10% for always stably housed vs. ever-homeless or ever-at-risk women.

Child Care Reliability

Along with differences in type of child care used, reliability of care varies markedly by housing status. Figure 2 demonstrates that, while poor women in the FFCWS sample reported using the same quantity of child care (31 hours per week for all groups), lower rates of child care reliability differentiate unstably housed women from their stably housed peers. Over a third (35%) of ever-homeless women characterized their child care as unreliable, compared with 23% of mothers at risk of homelessness and 6% of stably housed mothers. Ever-homeless mothers were more likely to report using multiple sources of child care than their more stably housed counterparts (15% vs. 6% and 1%, respectively), an arrangement that is related to increases in behavioral problems among children.¹ Not surprisingly, ever-homeless mothers were also more likely to

report quitting jobs or school due to problems with their child care (25%) than ever-at-risk (15%) or stably housed mothers (5%).

Irregular work patterns may contribute to homeless mothers' child care decisions. Unstably housed poor mothers in the FFCWS sample work non-standard hours more often than their stably housed peers (see Figure 3) and may be obligated to utilize informal child care to remain employed. Informal child care arrangements, such as relative care, are less expensive and provide more flexibility in matching irregular work or school schedules than more formal sources of care. However, such sources of care are less reliable, causing parents to miss work or school and creating barriers to economic and housing stability.² Additionally, as noted in "In Context: Child Care Quality and Child Outcomes"

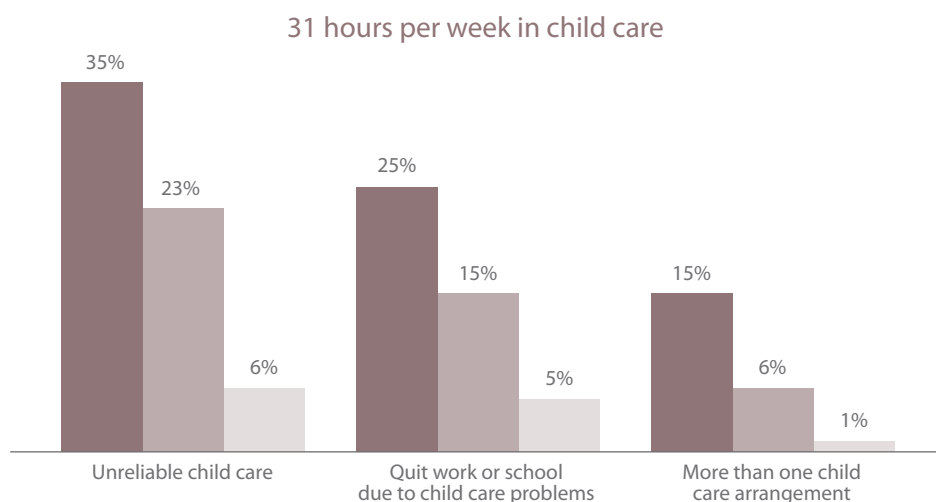
Figure 2

HOURS OF CHILD CARE USED PER WEEK AND RELIABILITY OF CHILD CARE AT YEAR 3 (UNMARRIED AND EMPLOYED MOTHERS USING CHILD CARE)

(by housing status years 1–5)

- Ever homeless or doubled up (n=272)
- Ever at risk of homelessness (n=293)
- Always stably housed (n=95)

Source: ICPH analysis of Fragile Families and Child Wellbeing data. n = 660. Excluded are mothers who did not participate in the year-five survey, do not live with the focal child at least half of the time at year five, do not have valid sample weights, report an average (baseline to year five) income-to-poverty ratio greater than 1.25, were married at year five or were unemployed at year three, or who did not use child care at year 3. Differences in use of center-based care are statistically significant at 10% for ever-at-risk vs. always stably housed or ever-homeless women. Differences in use of relative care are statistically significant at 10% for ever-homeless vs. ever-at-risk or always stably housed women. Differences in use of Head Start are statistically significant at 10% for always stably housed vs. ever-homeless or ever-at-risk women.



In Context

Child Care Quality and Child Outcomes

The care arrangements working parents choose for their children impact child well-being, especially in poor families. Poverty is linked to lower-quality parent-child interaction; children who grow up poor tend to have home environments characterized by more authoritarian parenting and fewer opportunities for in-home learning than those of higher-income families.³ Enrollment in high-quality child care programs can moderate the negative impacts of poverty. High-quality child care has been demonstrated to have positive effects on language skills, cognitive growth, and socio-emotional development among poor children.⁴ In particular, child care arrangements that provide sensitive and responsive caregiving and engage higher-educated workers have exhibited positive results.

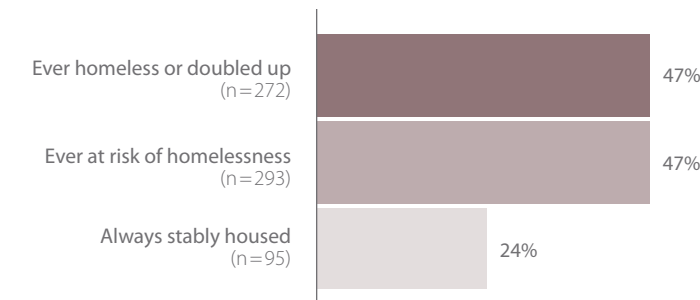
The quality of care received by children differs according to the type of care they experience. Center-based formal child care programs have been linked to positive developmental outcomes for poor children. Such programs are physically located in settings designed for children and employ caregivers with more education and training than caregivers who operate relative and non-relative home care.⁵ Center-based care arrangements also feature more structured, educationally oriented, and adult-directed activities; children in center-based care receive more cognitive stimulation and developmental supports than those in less formal arrangements. Notably, the most disadvantaged of poor children may be the least likely to receive high-quality child care; poor parents with fewer economic resources are less likely to select center-based care and more likely to rely on relative and less formal care arrangements than those with more resources.⁶

(page 2), informal child care sources provide less cognitive stimulation and developmental supports for children.

Child Care Subsidies

Receipt of child care subsidies is also linked to housing status. Figure 4 presents the percentage of poor, employed single mothers who received government financial assistance for child care when the focal children were three years old. Along with using lower-quality and less reliable care, mothers who have experienced homelessness were also the least likely to have received government subsidies for child care (32%).⁷ (See High Stakes, page 3.) Notably, mothers at risk of homelessness had the highest rate of all groups (55%) of receiving financial aid for child care, suggesting that the ability of poor, working mothers to obtain subsidies plays a key role in supporting the economic health

Figure 3
WEEKEND WORK AT YEAR 3 (UNMARRIED AND EMPLOYED MOTHERS USING CHILD CARE)
(by housing status years 1–5)



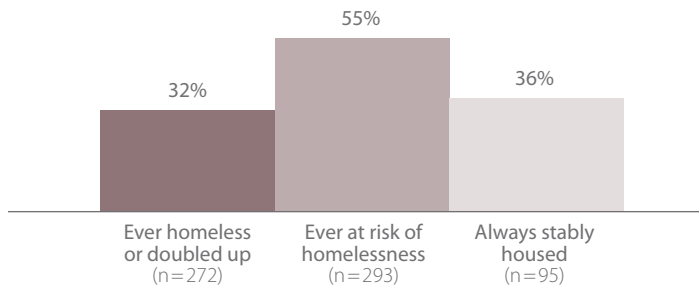
Source: ICPH analysis of Fragile Families and Child Wellbeing data. n = 660. Excluded are mothers who did not participate in the year-five survey, do not live with the focal child at least half of the time at year five, do not have valid sample weights, report an average (baseline to year five) income-to-poverty ratio greater than 1.25, were married at year five or were unemployed at year three, or who did not use child care at year 3. Differences in weekend work at year 3 are statistically significant at 10% for all housing groups.

and housing stability of families on the cusp of homelessness. Child care subsidies help sustain the work and training efforts of low-income mothers. Low subsidy receipt among ever-homeless women follows a national pattern of limited subsidy availability and low subsidy enrollment among the most disadvantaged (see “In Context: Child Care Supports for Poor Families,” below).

Child Care: A Differentiating Factor

There are clear differences in child care use between poor, employed, single mothers who experience housing instability and those who remain stably housed. Ever-homeless women receive child care subsidies less often than their stably housed peers and are the most likely to use informal arrangements that provide few developmental supports for children. Ever-homeless women also report more frequent disruptions of employment or training

Figure 4
CHILD CARE SUBSIDY RECEIPT AT YEAR 3 (UNMARRIED AND EMPLOYED MOTHERS USING CHILD CARE)
(by housing status years 1–5)



Source: ICPH analysis of Fragile Families and Child Wellbeing data. n = 660. Excluded are mothers who did not participate in the year-five survey, do not live with the focal child at least half of the time at year five, do not have valid sample weights, report an average (baseline to year five) income-to-poverty ratio greater than 1.25, were married at year five or were unemployed at year three, or who did not use child care at year 3. Differences in child care subsidy receipt at year 3 are statistically significant at 10% for all housing groups.

In Context

Child Care Supports for Poor Families

The Child Care and Development Fund (CCDF), a federally funded block grant that provides child care subsidies to low-income families, was created alongside the 1996 Personal Responsibility and Work Opportunity Reconciliation Act to facilitate poor families’ transitions from welfare to work.⁸ Available funding for work- and training-related child care supports increased substantially after 1996. Despite this increase, demand for child care subsidies among poor, working women exceeds supply, and only a fraction of eligible families receive support. States were permitted under CCDF regulations to provide assistance to qualified parents whose incomes were less than 85% of the state median, but the average eligibility maximum set by states was 61% in fiscal years 2006 and 2007.⁹ In 2009, families in 19 states faced waiting lists for subsidies, with four states’ lists exceeding 20,000 children.¹⁰ Among families eligible for CCDF funds, those with more resources and who have less difficulty navigating the subsidy system are the most likely to enroll successfully.¹¹

The growth in use of federal child care vouchers has implications for both poor parents and their children. Receipt of child care subsidies has been linked to increases in employment, education, and training activities among poor parents, raising household incomes and resources available to poor children.¹² Further, CCDF grants used to enroll poor children in high-quality child care may have positive impacts on child development. However, because CCDF grants impose few restrictions on the type and quality of care parents may select, negative effects of low-quality child care on child well-being may be an unintended consequence of the subsidies.¹³

due to unreliable child care. In the years since welfare reform, policy shifts that have encouraged poor mothers to enter the labor force have intensified demand for affordable, flexible, and high-quality child care. Increased investment in federal child care subsidies can support the economic health of poor families by facilitating work. Efforts to improve access to high-quality child care through state regulations and availability of subsidies would boost well-being among poor children.

The snapshot of poor families presented in this brief reveals distinct differences in child care use by housing status. The next brief in this series will focus on a related component of child well-being: school readiness.

Homelessness in Fragile Families

The Fragile Families and Child Wellbeing Survey is a nationally representative study of nearly 5,000 mostly poor urban American families with young children born between 1998 and 2000. The survey follows mothers from the births of focal children through the children's first, third, and fifth birthdays. When weighted, Fragile Families is representative of births in 20 U.S. cities with populations greater than 200,000.

Using Fragile Families data, ICPH has classified families into three distinct housing categories based on their most severe living arrangement in years one, three, and five: homeless or doubled up, at risk of homelessness, or stably housed. "Homeless" families are those who have lived in a shelter or place not intended for housing as well as those who have doubled up with friends or family. Families who are "at risk" were not homeless or doubled up but have had trouble paying essential bills, move frequently, or have been evicted. "Stably housed" families faced none of these housing challenges.

A total of 1,836 families are included in the final analysis, which employs the year-five sample. Families with an income greater than 125% of the federal poverty line are excluded from the

analysis to ensure that comparisons between groups reflect differences in housing status rather than poverty. Please see the first brief in this series, "Profiles of Risk: Characterizing Housing Instability" for additional details on the sample used in this series.

Endnotes

- ¹ Taryn Morrissey, "Multiple Child-Care Arrangements and Young Children's Behavioral Outcomes," *Child Development* 80, no. 1 (2009): 59–76.
- ² Heather Boushey, "Who Cares? The Child Care Choices of Working Mothers," *Center for Economic and Policy Research Data Brief* 1 (2003).
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- ⁴ Kathleen McCartney, Eric Dearing, Beck Taylor, and Kristen Bub, "Quality Child Care Supports the Achievement of Low-Income Children: Direct and Indirect Pathways Through Caregiving and the Home Environment," *Journal of Applied Developmental Psychology* 28, no. 5–6 (2007): 411–26; Susanna Loeb, Bruce Fuller, Sharon Kagan, and Bidemi Carrol, "Child Care in Poor Communities: Early Learning Effects of Type, Quality, and Stability," *Child Development* 75, no. 1 (2004): 47–65; Elizabeth Votruba-Drzal, Rebekah Levine Coley, and Lindsay Chase-Lansdale, "Child Care and Low-Income Children's Development: Direct and Moderated Effects," *Child Development* 75, no. 1 (2004): 296–312.
- ⁵ Chantelle Dowsett, Aletha Huston, Amy Imes, and Lisa Gennetian, "Structural and Process Features in Three Types of Child Care For Children from High and Low Income Families," *Early Childhood Research Quarterly* 23 (2008): 69–93; Bruce Fuller, Sharon Kagan, Susanna Loeb, and Yueh-Wen Chang, "Child Care Quality: Centers and Home Settings that Serve Poor Families," *Early Childhood Research Quarterly* 19 (2004): 505–27.
- ⁶ J. Lee Kreader, Daniel Ferguson, and Sharmila Lawrence, "Infant and Toddler Child Care Arrangements," *Child Care and Early Education: Research Connections* 1 (2005).
- ⁷ Government financial assistance is defined as money or scholarships for child care from governmental sources.
- ⁸ Kay Brown, "Child Care: Multiple Factors Could have Contributed to the Recent Decline in the Number of Children Whose Families Receive Subsidies," United States Government Accountability Office (2010).
- ⁹ US Office of Child Care, *Child Care and Development Fund Report to Congress for FY 2006 and FY 2007*.
- ¹⁰ Karen Schulman and Helen Blank, "State Child Care Assistance Policies in 2010: New Federal Funds Help States Weather the Storm," National Women's Law Center (2010).
- ¹¹ Chris Herbst, "Who Are the Eligible Non-Recipients of Child Care Subsidies?" *Children and Youth Services Review* 30, (2008): 1037–54; Anna Johnson, Anne Martin, and Jeanne Brooks-Gunn, "Who Uses Child Care Subsidies? Comparing Recipients to Eligible Non-recipients on Family Background Characteristics and Child Care Preference," *Children and Youth Services Review* 35 (2011): 1072–83.
- ¹² David Blau and Erdal Tekin, "The Determinants and Consequences of Child Care Subsidies for Single Mothers in the USA," *Journal of Popular Economics* 20 (2007): 719–41; April Crawford, "The Impact of Child Care: Subsidies on Single Mothers' Work Effort," *Review of Policy Research* 23, no. 3 (2006): 699–711.
- ¹³ Chris Herbst and Erdal Tekin, *Child Care Subsidies and Child Development*, Discussion Paper no. 3836, Institute for the Study of Labor (2010).

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The Institute for Children, Poverty, and Homelessness (ICPH) is an independent nonprofit research organization based in New York City. ICPH studies the impact of poverty on family and child well-being and generates research that will enhance public policies and programs affecting poor or homeless children and their families. Specifically, ICPH examines the condition of extreme poverty in the United States and its effect on educational attainment, housing, employment, child welfare, domestic violence, and family wellness. Please visit our Web site for more information: www.ICPHusa.org.