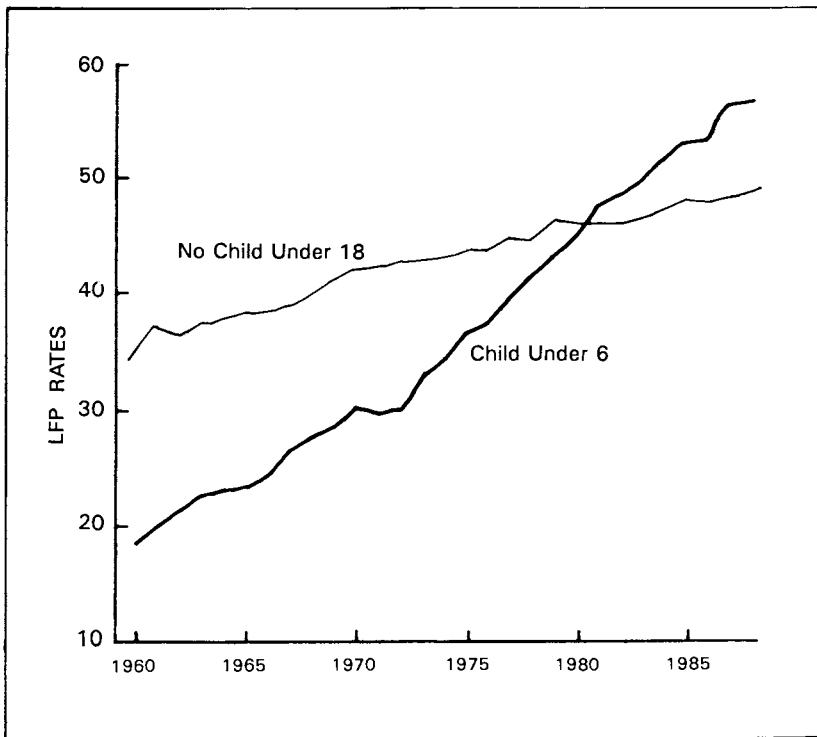


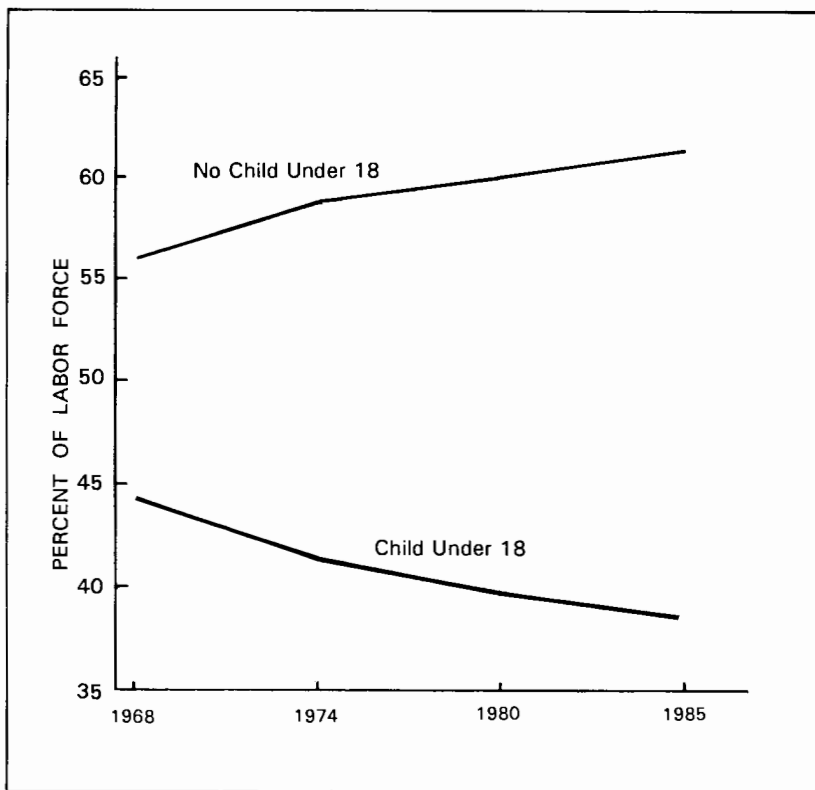
FIGURE 1
LFP Rates for Married Women: 1970–1988



SOURCE: U.S. Department of Labor (1989).

FIGURE 2

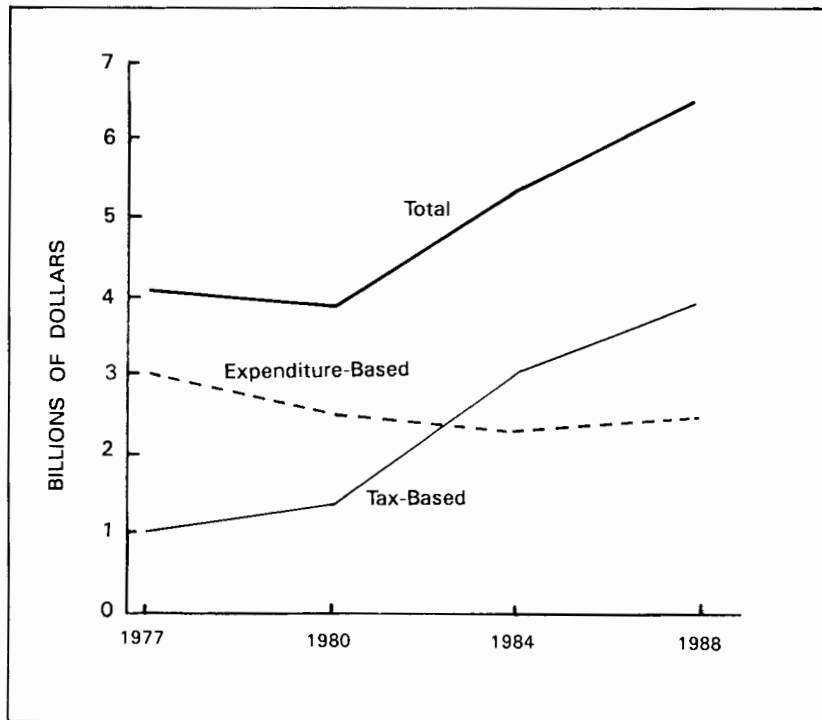
Composition of Labor Force: 1968–1985, by Presence of Children



SOURCE: Tabulations from the 1968–1985 March Current Population Surveys, courtesy of William R. Prosser, U.S. Department of Health and Human Services.

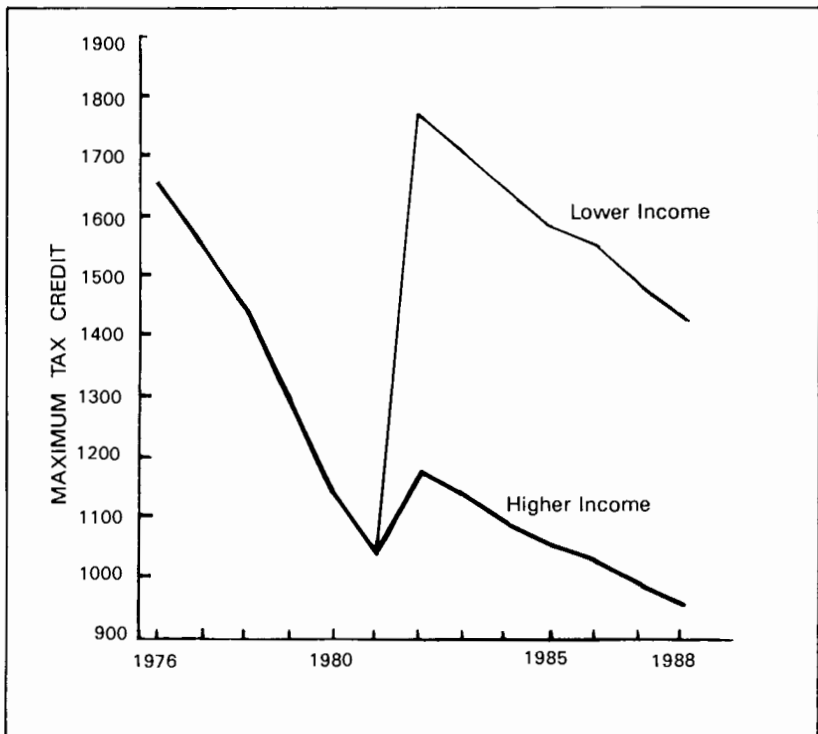
FIGURE 3

Federal Child Care Spending: 1977-1988, Constant 1988 Dollars



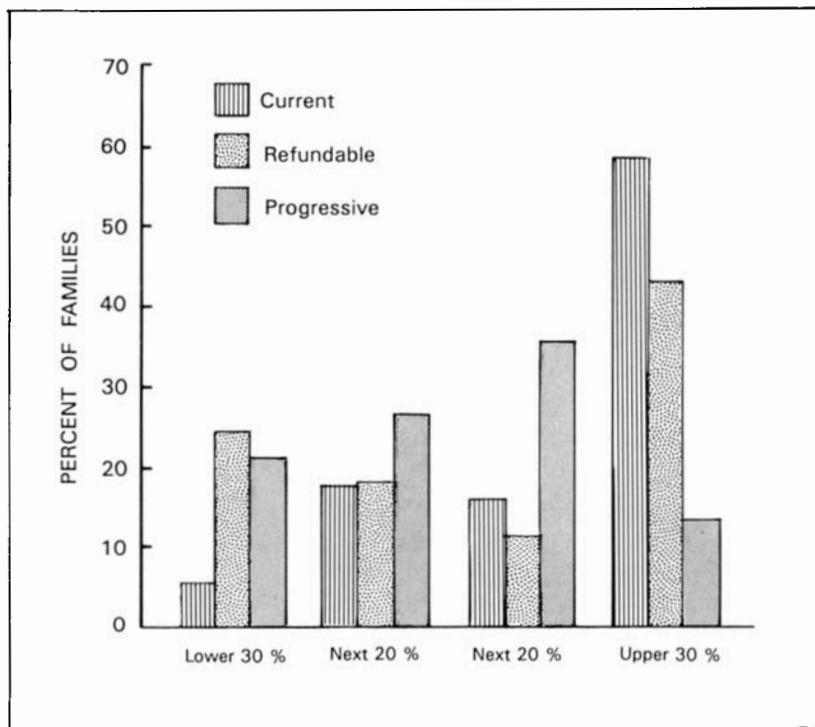
SOURCE: Robins (1990, Table 3).

FIGURE 4
*Maximum Child Care Tax Credit: 1976–1988,
Constant 1988 Dollars*



SOURCE: Robins (1990, Table 4).

FIGURE 5
*Altering the Child Care Tax Credit,
Direct and Indirect Distributional Effects*



SOURCE: Michalopoulos, Robins, and Garfinkel (1990).

TABLE 1

Selected Federal Child Care Programs: 1988

Expenditure-based

1. Adult Education: Workplace Literacy Partnership (Education)
2. Aid to Families with Dependent Children (Health and Human Services)
3. Appalachian Child Development (Appalachian Regional Commission)
4. Business Development Assistance (Small Business Administration)
5. Census Bureau Surveys of Child Care Patterns (Commerce)
6. Child Care in Federal Buildings (General Services Administration)
7. Child Care Food Program (Agriculture)
8. Child Care in Military Institutions (Defense)
9. Child Development Associate Scholarships (Health and Human Services)
10. Child Welfare Research and Demonstration Projects (Health and Human Services)
11. Child Welfare Services State Grants (Health and Human Services)
12. Child Welfare Services Training Grants (Health and Human Services)
13. College Work-Study Program (Education)
14. Community Development Block Grants (Housing and Urban Development)
15. Community Services Block Grant (Health and Human Services)
16. Dependent Care Planning and Development (Health and Human Services)
17. Dislocated Workers Program (Labor)^a
18. Economically Disadvantaged Individuals (Labor)^a
19. Education of Handicapped Preschool Grant (Education)
20. Food Donation Program (Agriculture)
21. Food Stamps (Agriculture)
22. Guaranteed Student Loan Program (Education)
23. Head Start (Health and Human Services)
24. Indian Child Welfare Act
25. Job Corps (Labor)^a
26. Migrant and Seasonal Farmworkers (Labor)^a
27. Pell Grant Program (Education)
28. Perkins Loans (Education)
29. Public Housing (Housing and Urban Development)
30. Small Business Investment Companies (Small Business Administration)
31. Small Business Loans (Small Business Administration)
32. Social Services Block Grant, Title XX (Health and Human Services)
33. Special Milk Program for Children (Agriculture)
34. State Administrative Expenses for Child Nutrition (Agriculture)
35. State Student Incentive Grants (Education)
36. Summer Food Service Program for Children (Agriculture)
37. Supplemental Educational Opportunity Grants (Education)
38. Temporary Child Care for Handicapped Children (Health and Human Services)
39. Vocational Education (Education)
40. Women's Bureau (Labor)
41. Work Incentive Program (Labor, phased out in 1989)

TABLE 1 *(continued)*

Tax-based

1. Accelerated Cost Recovery System (Treasury)
 2. Child and Dependent Care Tax Credit (Treasury)
 3. Child Care as a Business Expense (Treasury)
 4. Dependent Care Assistance Programs (Treasury)
 5. Non-Profit Child Care Centers, Tax Exemption (Treasury)
-

SOURCE: U.S. General Accounting Office (1989).

^aFunded under the Job Training Partnership Act.

TABLE 2

Use of the Child Care Tax Credit: 1976-1988

Year	Number Claiming Credit (thousands)	Number Claiming Credit as a Percentage of Families with Working Mothers ^a	Total Amount of Credit (\$ millions) ^b	Average Credit per Family ^b
1976	2,660	19.4%	\$ 951	\$358
1977	2,875	20.1	1,016	353
1978	3,431	22.7	1,185	346
1979	3,833	24.5	1,291	337
1980	4,231	25.6	1,371	324
1981	4,578	27.0	1,491	325
1982	5,004	30.0	1,838	367
1983	6,367	37.9	2,433	382
1984	7,546	42.4	3,016	400
1985	8,418	46.0	3,439	409
1986	8,950	47.3	3,668	410
1987	8,520	43.0	3,592	420
1988	8,992	44.7	3,803	423

SOURCES: U.S. Department of the Treasury (1976-1986, 1989); U.S. Department of Labor (1989).

^aWorking mothers with children under the age of 18.

^bExpressed in 1988 dollars, using the Consumer Price Index.

TABLE 3

State Child Care Tax Subsidy Programs: 1988^a

State	Description of Program	Phase Out with Income	Maximum Subsidy
Alabama	None	—	—
Alaska	.16 of Federal Credit ^{a,b}	No	\$ 230
Arizona	Tax ded. for child care exp.	Yes	\$ 39
Arkansas	.10 of Federal Credit	No	\$ 144
California	.05 to .10 of Federal Credit	No	\$ 144
Colorado	Tax ded. for child care exp.	No	\$ 384
Connecticut	None ^c	—	—
Delaware	.25 of Federal Credit	No	\$ 360
District of Columbia	.30 of Federal Credit	No	\$ 432
Florida	None ^d	—	—
Georgia	Tax credit for child care exp.	No	\$ 80
Hawaii	.10 of child care expenses	No	\$ 200
Idaho	Tax ded. for child care exp.	No	\$ 360
Illinois	None	—	—
Indiana	None ^e	—	—
Iowa	.45 of Federal Credit	No	\$ 648
Kansas	.1 to 1.0 of Federal Credit	No	\$ 162
Kentucky	Credit based on no. of child.	No	\$ 400
Louisiana	.10 of Federal Credit	No	\$ 144
Maine	.25 of Federal Credit	No	\$ 360
Maryland	Tax deduction for child care	Yes	\$ 240
Massachusetts	Tax deduction for child care	No	\$ 240
Michigan	None	—	—
Minnesota	Tax credit for child care exp. ^b	Yes	\$1,440
Mississippi	None	—	—
Missouri	None	—	—
Montana	Tax ded. for child care exp.	Yes	\$ 528
Nebraska	None	—	—
Nevada	None ^d	—	—
New Hampshire	None ^c	—	—
New Jersey	None	—	—
New Mexico	Tax credit for child care exp. ^b	No	\$1,200
New York	.20 of Federal Credit	Yes	\$ 288
North Carolina	Credit for child care expenses	Yes	\$ 336
North Dakota	None	—	—
Ohio	.25 of Federal Credit	No	\$ 360
Oklahoma	.20 of Federal Credit	No	\$ 288
Oregon	.40 of Federal Credit	No	\$ 576
Pennsylvania	None	—	—
Rhode Island	.22 of Federal Credit	No	\$ 320
South Carolina	.07 of Federal Credit	No	\$ 101
South Dakota	None ^d	—	—
Tennessee	None ^c	—	—
Texas	None ^d	—	—

TABLE 3 (continued)

State	Description of Program	Phase Out with Income	Maximum Subsidy
Utah	None	—	—
Vermont	.265 of Federal Credit	No	\$ 382
Virginia	Tax deduction for child care	Yes	\$ 276
Washington	None ^d	—	—
West Virginia	None	—	—
Wisconsin	None ^f	—	—
Wyoming	None ^d	—	—

SOURCES: U.S. Department of Labor (1988); unpublished data provided by David Blau, University of North Carolina.

^aSuspended until January 1993.

^bTax credit is refundable.

^cState has a very limited income tax that is applied only to unearned income.

^dState does not have an income tax.

^eFive-cent cigarette tax used to fund child care programs.

^fA tax credit equal to .3 of federal credit was repealed in 1985.

TABLE 4

State Spending on Child Care Services: 1985^a

State	Expenditures (millions)	Expenditures per Child Under 18	Rank (expenditures)	Rank (expenditures per child)
Alabama	\$ 10.5	\$ 9.36	23	30
Alaska	\$ 1.0	\$ 5.88	45	37
Arizona	\$ 15.6	\$ 17.81	16	8
Arkansas	\$ 3.1	\$ 4.73	38	41
California	\$325.8	\$ 47.71	1	2
Colorado	\$ 10.3	\$ 11.95	24	22
Connecticut	\$ 12.7	\$ 16.79	20	10
Delaware	\$ 2.5	\$ 15.95	40	12
Dist. of Columbia	\$ 14.2	\$108.38	17	1
Florida	\$ 36.3	\$ 14.32	8	13
Georgia	\$ 23.4	\$ 14.15	11	15
Hawaii	\$ 2.5	\$ 8.63	39	31
Idaho	\$ 0.2	\$ 0.55	51	51
Illinois	\$ 39.0	\$ 12.58	5	20
Indiana	\$ 8.6	\$ 5.71	25	38
Iowa	\$ 1.8	\$ 2.27	43	47
Kansas	\$ 3.1	\$ 4.69	36	42
Kentucky	\$ 6.9	\$ 6.70	30	36
Louisiana	\$ 13.0	\$ 9.58	18	26
Maine	\$ 4.0	\$ 13.17	34	19
Maryland	\$ 18.1	\$ 16.51	13	11
Massachusetts	\$ 53.0	\$ 38.91	4	3
Michigan	\$ 23.8	\$ 9.58	10	27
Minnesota	\$ 16.2	\$ 14.19	15	14
Mississippi	\$ 6.2	\$ 7.81	31	33
Missouri	\$ 7.5	\$ 5.65	28	39
Montana	\$ 0.5	\$ 2.13	47	49
Nebraska	\$ 3.3	\$ 7.39	35	34
Nevada	\$ 0.2	\$ 1.06	50	50
New Hampshire	\$ 3.1	\$ 12.31	37	21
New Jersey	\$ 37.1	\$ 19.94	7	6
New Mexico	\$ 4.2	\$ 9.37	33	29
New York	\$141.3	\$ 32.31	2	4
N. Carolina	\$ 17.0	\$ 10.70	14	23
N. Dakota	\$ 0.7	\$ 3.43	46	44
Ohio	\$ 30.3	\$ 10.57	9	24
Oklahoma	\$ 18.2	\$ 19.72	12	7
Oregon	\$ 1.9	\$ 2.66	42	46
Pennsylvania	\$ 70.4	\$ 24.42	3	5
Rhode Island	\$ 1.2	\$ 5.28	44	40
S. Carolina	\$ 12.8	\$ 13.89	19	17
S. Dakota	\$ 0.4	\$ 2.18	49	48
Tennessee	\$ 8.5	\$ 6.93	26	35
Texas	\$ 37.7	\$ 7.86	6	32

TABLE 4 (continued)

State	Expenditures (millions)	Expenditures per Child Under 18	Rank (expenditures)	Rank (expenditures per child)
Utah	\$ 8.5	\$ 13.90	27	16
Vermont	\$ 2.4	\$ 17.40	41	9
Virginia	\$ 5.3	\$ 3.66	32	43
Washington	\$ 11.3	\$ 9.57	22	28
West Virginia	\$ 7.0	\$ 13.53	29	18
Wisconsin	\$ 12.4	\$ 9.64	21	25
Wyoming	\$ 0.5	\$ 3.12	48	45
Total	\$1,095	\$ 17.39		

SOURCE: Adapted from American Public Welfare Association (1988).

NOTE: The population figures used to derive expenditures per child were taken from the Statistical Abstract of the United States.

^aIncludes federal, state, and local spending for the fiscal year.

TABLE 5

Child Care Legislation Enacted in 1990

- I. Child Care and Development Block Grant
 - \$750 million FY 1991
 - \$825 million FY 1992
 - \$925 million FY 1993
 - As necessary FY 1994, 1995
 - A. State allocation formula
 - Number of children under 5
 - Number of children participating in school lunch program
 - Per capita income
 - B. State match
 - None
 - C. Allocation of funds
 - 75% direct payments to parents for child care
 - 25% improving existing programs
 - D. Standards
 - Must establish health and safety requirements
 - Requirements may be more stringent for participating providers
 - One-time review of licensing policies and regulations
 - E. Eligibility
 - Child must be under 13
 - Family can earn at most 75% of state median income
 - II. Social Security Block Grant
 - \$1.5 billion to aid parents on AFDC
 - III. Tax Credits
 - A. Earned Income Tax Credit
 - Increased by \$12.4 billion over 5 years
 - B. Refundable Child Tax Credit
 - \$.7 billion for low-income families with children under the age of 1
 - C. Child Health Tax Credit
 - \$5.2 billion for low-income families paying health insurance premiums
-

SOURCE: Child Care Action Campaign (1990).

TABLE 6
*Estimated Quality of Child Care
 and Its Responsiveness to Changes in Family Income*

	Married Mothers	Single Mothers
Quality of Mother's Care ^a	1.89	1.98
Minimum Acceptable Quality ^a	1.55	1.56
Quality of Purchased Care ^a	1.52	1.05
Responsiveness to an Increase		
(1) In the Mother's Wage ^b		
Hours of work	.002	.032
Quality of purchased care	.138	.488
Total child care expenditures	.145	.562
(2) In Other Family Income ^c		
Hours of work	-.001	-.019
Quality of purchased care	.278	.072
Total child care expenditures	.278	.046
(3) In Child Care Subsidies ^d		
Hours of work	.0001	.002
Quality of purchased care	.247	.129
Total child care expenditures	.247	.141

SOURCE: Michalopoulos, Robins, and Garfinkel (1990).

^aMeasured in dollars per hour (April 1990 dollars).

^bMeasured as an elasticity, which is the percent change resulting from a 1 percent change in the wage.

^cMeasured as an elasticity, which is the percent change resulting from a 1 percent change in other family income.

^dMeasured as an elasticity, which is the percent change resulting from a 1 percent change in the combined federal and state child care subsidy rates.

APPENDIX TABLE A-1

*Determinants of Desired Weekly Family Expenditure
on Child Care, Ordinary Least Squares (OLS) Estimation
(uncorrected OLS standard errors in parentheses)*

	Married Women		Unmarried Women	
Constant	-133.57	(32.49)	-88.52	(57.24)
Predicted Hours	0.07	(0.20)	0.57	(0.27)
Number of Children				
Aged: 0-2	8.68	(5.66)	19.59	(7.24)
3-5	7.03	(5.95)	17.94	(11.91)
6-12	4.77	(4.61)	8.61	(2.90)
Education	1.40	(0.42)	-0.71	(1.05)
Nonlabor Income ^a	0.88	(3.00)	-0.015	(0.09)
Nonwhite	-5.84	(3.47)	-9.85	(3.69)
Presence of				
Children 13-18	5.52	(10.47)	-1.85	(7.77)
Other adult females	-3.40	(5.72)	14.80	(7.52)
Other adult males	-4.80	10.42	-16.72	(7.11)
Nonemployed females	5.65	(12.19)	-11.25	(11.16)
Nonemployed males	5.32	(7.80)	16.21	(9.49)
SMSA	7.50	(2.08)	7.19	(4.03)
Cost of Living in				
State of Residence				
(Thousands of \$)	0.65	(0.17)	0.43	(0.25)
Residence in				
Northeast	-8.82	(3.83)	-5.32	(6.61)
Central	-4.91	(2.50)	-1.54	(4.43)
South	8.94	(3.67)	3.17	(8.77)
lambda ^b	-19.01	(19.43)	1.53	(17.25)
N	567		168	

SOURCE: Table reprinted from Connolly 1989b.

^aNonlabor income for married women is total family income minus the mother's own earnings in thousands of dollars; for unmarried women it is monthly property income.

^blambda is a selectivity correction term used to correct for the fact that only women who work and pay for care are included in the sample. See Connolly (1989b) for details.

APPENDIX TABLE A-2

*Determinants of the Probability of Paying for Child Care Jointly
Estimated with the Probability of Being Employed^a
(standard errors in parentheses)*

	Married Women		Unmarried Women	
Constant	1.527	(1.247)	.471	(2.614)
Number of Children				
Aged: 0-2	0.463	(0.076)	0.645	(0.203)
3-5	0.501	(0.063)	1.225	(0.175)
6-12	-0.333	(0.055)	-0.041	(0.123)
Presence of				
Children 13-18	-0.727	(0.099)	-0.611	(0.166)
Other adult women	0.087	(0.215)	-0.018	(0.272)
Other adult men	-0.559	(0.221)	0.066	(0.288)
Nonemployed women	0.670	(0.388)	-0.662	(0.300)
Nonemployed men	-0.350	(0.197)	-0.217	(0.342)
Education (in hundreds)	0.955	(1.701)	-2.240	(4.51)
Nonlabor Income	0.201	(0.078)	-0.002	(0.004)
Nonwhite	0.163	(0.113)	-0.132	(0.161)
Cost of Living in State	-0.008	(0.005)	-0.001	(0.011)
SMSA	0.022	(0.086)	0.108	(0.167)
Northeast	0.051	(0.141)	-0.353	(0.279)
Central	0.003	(0.098)	-0.039	(0.218)
South	-0.119	(0.144)	-0.572	(0.327)
rho ^b	-0.463	(0.116)	-0.529	(0.236)

SOURCE: Table reprinted from Connolly 1989b.

^aProbit coefficient estimates.

^brho is the correlation between the unobserved determinants of the probabilities of being employed and paying for child care.

TABLE 1

Measures of Establishment Size, Child–Staff Ratios, Experience, Child Care Earnings, and Commitment to the Profession for Family Providers in Newark, NJ, Camden, NJ, and South Chicago, IL

Panel A				
Number of Children per Establishment				
Statistic	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
Mean	1.98	2.32	1.99	5.66
Standard Deviation	1.01	1.88	1.31	2.45
Number of Providers	85	119	106	144
Percentage of Providers with:				
1 child	35.0	46.6	47.9	1.1
4 or more children	8.0	16.6	14.9	70.9
8 or more children	0.2	3.0	0.0	5.0

Panel B				
Ratio of Child Hours to Provider Hours				
Statistic	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
Mean	1.77	1.47	1.66	3.09
Standard Deviation	.83	.75	.92	1.07
First Quartile	1.00	1.00	2.16	1.00
Median	1.89	1.26	1.50	3.00
Third Quartile	2.00	2.00	4.75	2.01
Interquartile Range	1.01	1.00	1.00	2.59

Panel C				
Years of Experience				
Statistic	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
Mean	7.3	6.6	5.3	10.2
Standard Deviation	8.2	8.3	7.0	9.8
First Quartile	1.8	1.0	1.4	2.5
Median	4.0	3.0	3.0	8.0
Third Quartile	10.0	10.0	5.0	15.0
Interquartile Range	8.2	9.0	3.6	12.5

TABLE 1 (continued)

Panel D				
Annual Gross Earnings from Child Care (in units of \$1000)				
Statistic	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
Mean	3.3	3.9	4.1	9.9
Standard Deviation	3.7	4.6	5.8	5.5
First Quartile	0.6	1.1	1.0	6.1
Median	2.1	2.2	2.4	9.7
Third Quartile	5.0	5.1	4.7	13.6
Interquartile Range	3.4	4.1	3.7	7.7

Panel E				
Commitment to the Profession Percent Responding Yes				
Statistic	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
Member of Family Care Association	0.0	3.2	0.0	42.1
Wants to Be in a Directory	57.5	33.2	27.4	68.6

SOURCE: The Child Care Supply and Needs Survey (1988).

NOTES: In Panel B, children of all ages are included in the numerator of the ratio. Provider hours include the hours of all individuals reported as helping with the care of children. In Panel D, annual gross earnings from child care is defined as (weekly revenue minus cash payments to helpers) times (number of weeks/years of care).

TABLE 2

Frequency Distribution of Educational Attainment

Panel A				
Family Providers in Newark, NJ, Camden, NJ, and South Chicago, IL				
Education Level	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
Less than High School	47.1%	42.9%	29.0%	19.4%
High School Graduate	31.8	24.1	39.0	37.5
Some College	20.0	31.3	30.0	42.4
Post College	1.2	1.8	2.0	0.7
Courses in Child Development	25.9	33.0	35.0	63.2
Special Training in Child Development	23.5	29.0	20.0	56.9

Panel B			
Persons 18 Years and Older (1980 Census)			
Education Level	Newark	Camden	South Chicago
Less than High School	41.5%	34.8%	30.9%
High School Graduate	35.3	37.9	37.8
Some College	13.0	14.3	18.8
College Degree	5.9	7.9	7.3
Post College	4.2	5.0	5.2

SOURCES: Panel A: The Child Care Supply and Needs Survey. Panel B: Bureau of the Census, Public Use tapes, 1980 census.

NOTES: Percentages in Panel A are from The Child Care Supply and Needs Survey (1988). Years of schooling reported in Panel B are weighted by the sampling frequency of the zip codes appearing in The Child Care Supply and Needs Survey (1988).

TABLE 3

How Users First Learned of Providers

	Newark		Camden		South	Chicago
	Center	Family Provider	Center	Family Provider	Center	Family Provider
Referrals from Friends/ Neighbors/Relatives	66.5%	57.7%	53.2%	45.9%	52.7%	55.4%
Already Knew Provider	14.5	27.8	7.0	28.5	21.6	18.6
Newspapers and Adver- tisements	7.8	6.6	20.3	15.1	6.3	14.6
Referrals from Community Agency (not caseworker)	3.3	2.7	2.7	2.1	4.1	6.2
Referrals from Caseworker	0.0	0.0	5.7	1.4	2.3	0.9
Cared for Older Child	0.0	0.0	3.6	0.0	0.3	0.0
Other	7.9	5.2	7.5	7.0	13.7	4.3

SOURCE: The Child Care Supply and Needs Survey (1988).

TABLE 4*Actions Taken by Family Providers to Find Clients*

	Newark	Camden	South Chicago Unlicensed	South Chicago Licensed
No Steps	54.8%	53.3%	56.1%	29.1%
Referrals from Friends, Neighbors, and Relatives	19.4	17.4	16.2	45.7
Newspapers and Advertisements	9.0	17.5	2.7	30.6
Referrals from Community Agency (not caseworker)	0.0	1.2	2.7	22.8
Bulletin Boards	2.5	2.1	2.3	25.8
Talk to Families with Children	2.3	1.2	0.9	8.6
Referrals from Caseworker	1.5	0.2	0.0	5.9

SOURCE: The Child Care Supply and Needs Survey (1988).

NOTES: Some providers may take more than one action to find clients. Column percentages may sum to more than 100.

TABLE 1

*Distribution of Weekly Expenditures for all Employed Women
Aged 21–55 with at Least One Child under 13*

Weekly Expenditure for Child Care	All Families	Those Paying for Care
0	63.6%	—
1–9	1.3	3.5
10–19	4.2	11.6
20–29	7.2	19.7
30–39	6.9	18.9
40–49	5.6	15.4
50–59	4.7	12.9
60–69	2.2	6.0
70–79	1.6	4.4
80–89	.7	2.0
90+	2.0	5.6
Mean Expenditure	15	40
Median Expenditure	0	35

SOURCE: SIPP 1984 Panel, 5th Wave.

TABLE 2

Percent of Families with Employed Mothers Aged 21–55 Paying for Child Care

	Families with at Least One Child <13			Families with at Least One Child <6		
	% Paying Cash Only	% Paying Cash and Non-Cash	% Paying Non-Cash Only	% Paying Cash Only	% Paying Cash and Non-Cash	% Paying Non-Cash Only
Total	35.1	1.2	1.7	56.5	2.1	2.2
Number of Children						
1	31.9	0.5	1.7	59.5	0.7	2.1
2	40.5	1.9	1.2	57.9	3.2	1.6
3	34.0	1.9	2.6	46.4	2.7	3.6
4+	30.8	2.6	5.1	34.3	2.9	5.7
Another Adult Woman in the Family	20.0	3.6	3.6	34.8	7.6	4.3
No Other Adult Woman in the Family	36.8	0.9	1.5	58.6	1.5	1.9
Adult Man in Family (other than husband)	18.7	1.3	2.0	32.3	3.2	1.6
No Other Adult Man in the Family	36.5	1.2	1.7	58.1	2.0	2.2

Teenage Children						
13-18 in the Family	12.7	0.5	1.8	42.0	2.5	5.9
No Child 13-18	44.8	1.5	1.6	58.4	2.0	1.7
Married	34.9	1.2	1.6	55.5	2.2	2.2
Unmarried	36.1	1.1	2.0	60.7	1.6	2.1
Family Income						
0-\$9,999	31.2	0.7	2.8	50.8	1.5	3.1
\$10,000-19,999	34.6	0.5	1.7	51.1	0.5	2.7
20,000-29,999	31.4	1.9	1.2	52.4	3.5	1.7
30,000-39,999	35.0	1.8	1.8	56.4	3.0	1.3
40,000-49,999	41.5	0.4	0.8	68.5	0.8	1.6
50,000+	38.8	1.0	2.2	63.3	2.0	3.4
Residence in:						
SMSA	34.6	0.9	1.6	54.5	1.6	1.6
Not in SMSA	35.8	1.5	1.8	58.5	2.6	2.8
Northeast	30.5	0.4	2.0	50.0	0.9	3.3
Central	36.0	1.3	1.5	54.6	1.9	2.3
South	36.7	0.9	1.2	64.5	1.4	1.4
West	36.9	2.6	2.6	52.0	4.5	2.0

SOURCE: SIPP 1984 Panel, 5th Wave.

TABLE 3*Average Weekly Expenditure on Child Care for Those Families Paying for Care*

	Families with Children Under 13			Families with Children Under 6		
	Average	% of Family Income	% of Mother's Earnings	Average	% of Family Income	% of Mother's Earnings
Total Number of Children						
1	35.36	7	15	39.61	8	17
2	43.64	9	21	45.81	9	22
3	46.55	10	26	47.15	10	26
4+	51.00	7	69	51.00	7	69
Other Adult Woman						
Present	36.07	6	19	37.41	9	22
No Other Adult Woman						
Present	40.25	8	20	43.74	6	20
Other Adult Male						
Present	29.53	7	15	31.09	9	22
No Other Adult Male						
Present	40.43	8	20	43.79	4	17

Teenager Present	32.05	6	16	36.26	7	19
No Teenager Present	40.95	9	20	44.01	9	22
Married	41.27	7	20	44.51	7	22
Not Married	35.65	13	17	38.55	14	19
Family Income						
0–\$9,999	28.47	27	31	30.71	30	34
\$10,000–19,999	34.70	12	21	35.16	12	23
20,000–29,999	35.36	7	19	38.59	8	21
30,000–39,999	42.50	6	21	45.97	7	23
40,000–49,999	42.44	5	14	45.38	5	15
50,000+	50.89	4	18	57.98	4	20
SMSA	44.59	8	21	49.26	9	24
Not in SMSA	35.63	8	18	37.83	8	20
Regions						
Northeast	44.34	9	20	50.46	10	23
Central	37.53	8	22	42.18	8	26
South	39.13	8	18	40.32	8	19
West	40.67	9	18	44.10	8	19
Total	39.98	8	20	43.32	9	22

SOURCE: SIPP 1984 Panel, 5th Wave.

TABLE 4

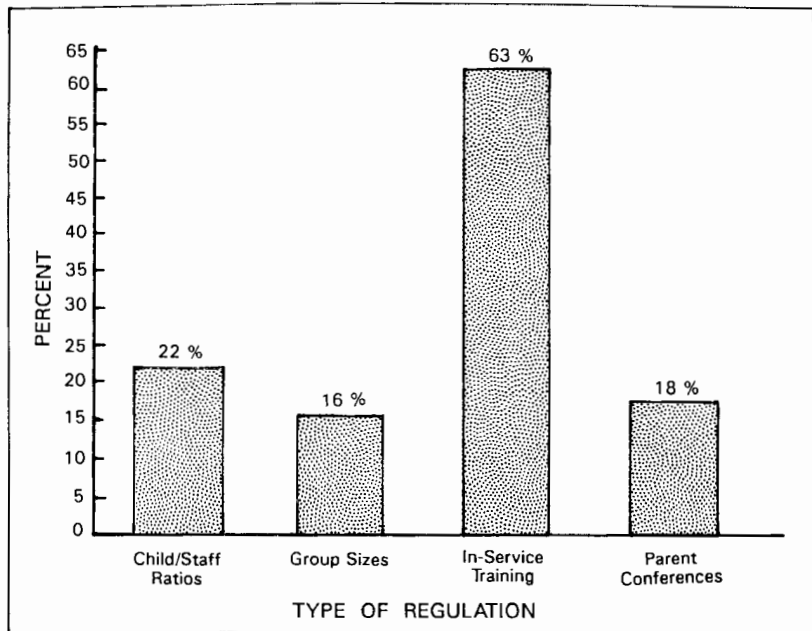
Families with One Child Under 13 in at most One Type of Paid Care

	% Paying Cash Only	% Paying Cash and Non-Cash	% Paying Non-Cash Only	Those Who Pay		
				Average Weekly Expenses	Average Hourly Expenses Per Hour Care Used	Average Hourly Expenses Per Hour Worked
Total	32.5	0.6	1.8	34.97	1.41	0.96
Age of Child						
0-2	57.2	0.5	2.9	41.25	1.23	1.14
3-5	65.8	1.0	1.5	37.41	1.13	1.02
6-9	24.4	1.1	3.1	24.39	2.05	0.68
10-12	6.7	0	0.5	20.40	2.03	0.50
Type of Care Used						
Relative in child's home	21.3	1.3	5.3	18.82	1.95	0.58
Relative in other's home	52.0	0	2.5	29.71	0.99	0.84
Nonrelative in child's home	71.4	9.5	4.8	39.18	1.46	1.13
Nonrelative in other's home	85.0	1.4	4.1	34.83	1.52	0.93
Group care	79.0	0.6	2.8	38.19	1.36	1.04

SOURCE: SIPP 1984 Panel, 5th Wave.

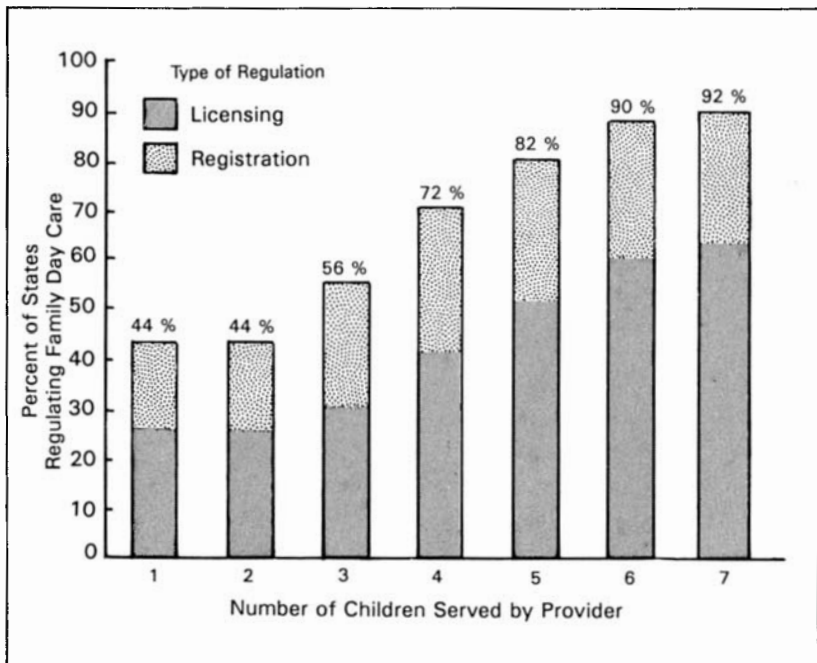
FIGURE 1

Percentage of States With Child Care Regulations Meeting Professionally Determined Accreditation Standards: 1986



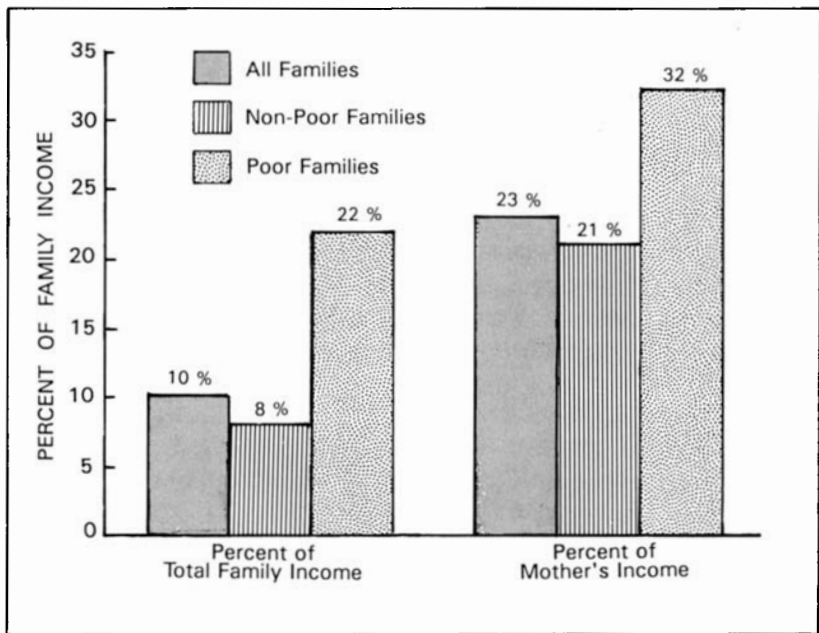
SOURCE: Derived from information in Morgan (1987).

FIGURE 2
*Extent of Regulation of Family Day Care
in the United States: 1986*



SOURCE: Derived from information in Morgan (1987).

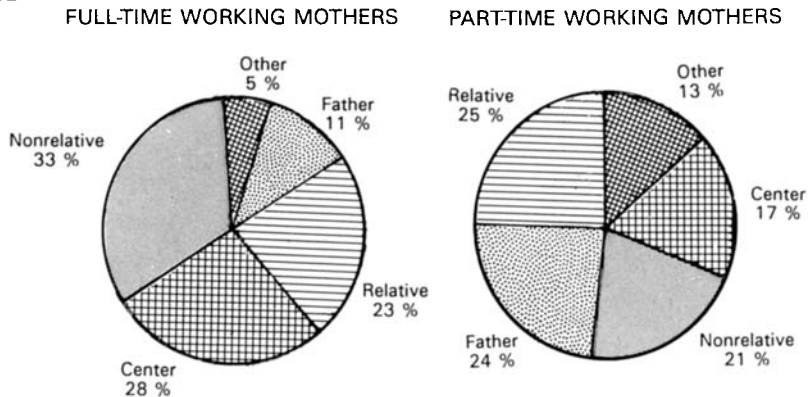
FIGURE 3
*Average Weekly Expenditures on Child Care
as a Percentage of Income*



SOURCE: Hofferth (1988).

FIGURE 4

Type of Child Care Arrangements, by Employment Status



SOURCE: U.S. Department of Commerce (1987, Tables D and 4)

FIGURE 1
An "Educator's Model" of Child Care Quality

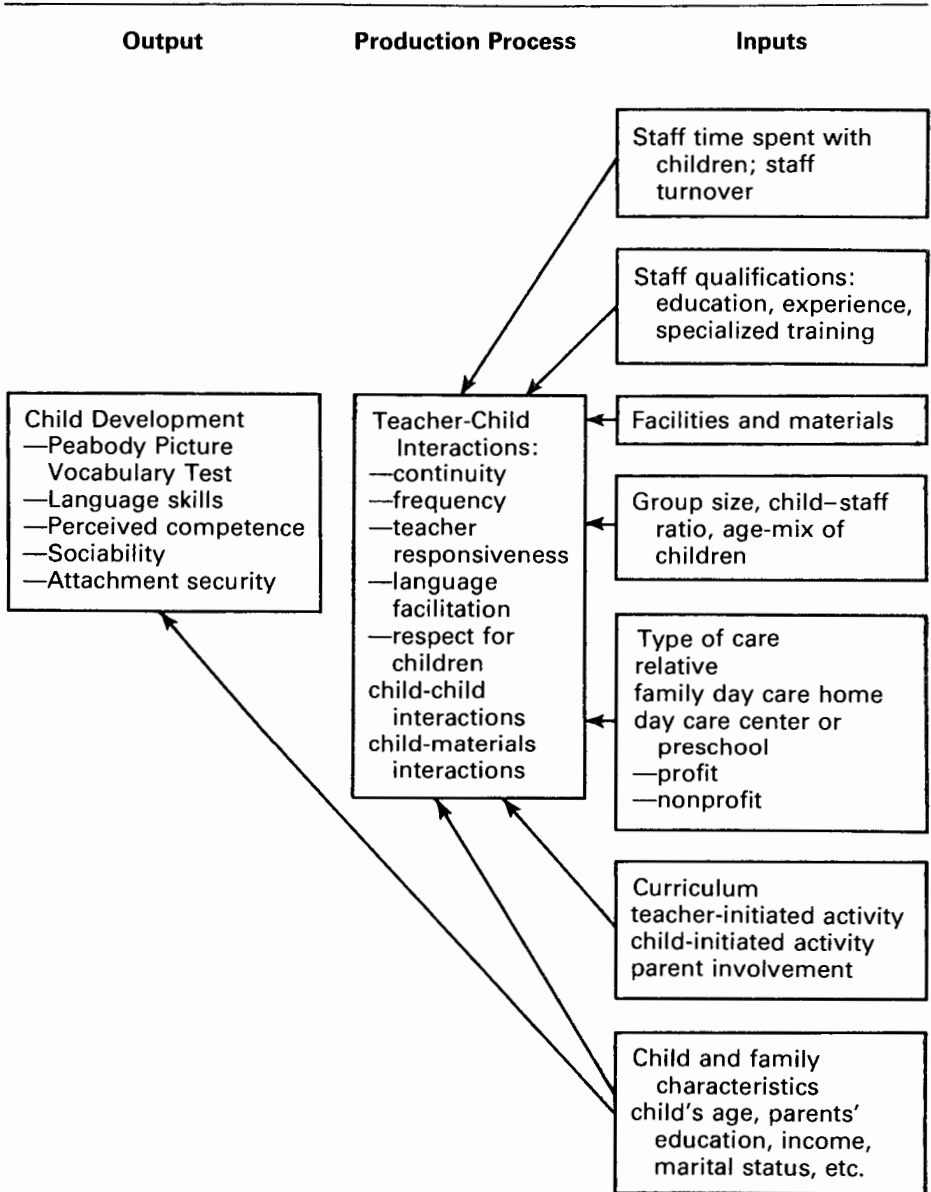


FIGURE 2
An Economic Model of Child Care Quality

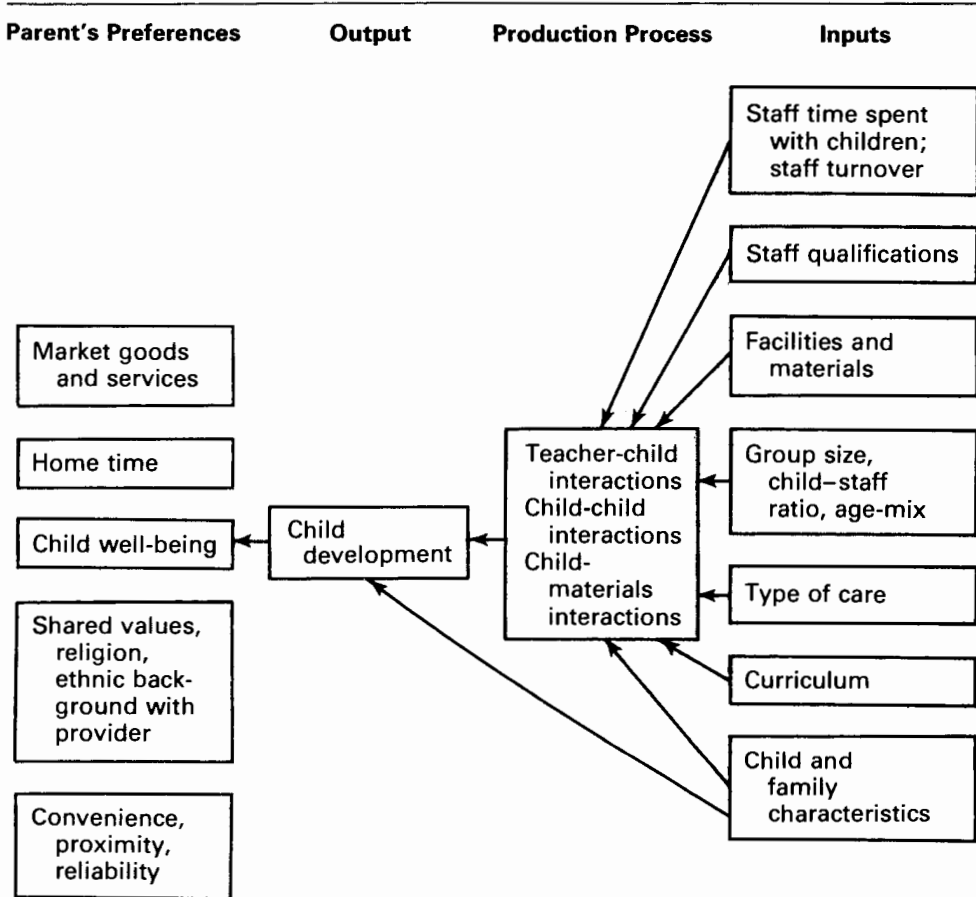


TABLE 1

*Percent Distribution of Child Care Arrangements,
by Age of the Child, Youngest Child of Women who Are
Employed, in School, or in Training^a*

Type of Child Care Arrangement	Age of Child						
	0	1	2	3	4	5	6-13 ^b
1. Other Parent	18.3	18.7	16.4	14.9	11.0	12.5	12.7
2. Other Relative in Child's Home	16.7	15.9	14.5	15.1	14.7	16.3	13.4
3. Nonrelative in Child's Home	4.2	3.2	3.5	2.9	1.4	2.4	2.5
4. Relative in Relative's Home	25.6	21.6	23.6	19.6	17.4	18.5	20.6
5. Nonrelative in Nonrelative's Home	20.5	24.0	20.2	15.2	12.8	13.0	10.0
6. Day Care Center or Preschool	5.0	9.2	14.5	25.8	34.6	19.6	5.5
7. Mother, at Work	7.6	5.8	6.2	5.8	6.7	7.1	4.5
8. School	0.0	0.0	0.0	0.3	0.2	9.5	25.3
9. Other ^c	2.2	1.6	1.2	0.5	1.1	1.1	5.5
Number of Children	904	1,169	1,062	757	563	368	651

SOURCE: Calculated from the National Longitudinal Survey of Youth.

^aBecause of the longitudinal nature of the survey, many families are included more than once as the child ages.

^bThe arrangement given for school-aged children is the arrangement used when the child is not in school. The arrangement is given as school if the child is in an after-school child care program at school.

^cOther includes self-care, care by a sibling, and unspecified arrangements.

TABLE 2

Characteristics of Child Care Arrangements, by Type of Arrangement and Age of Youngest Child, NLSY: 1985-1986

Type of Child Care Arrangement	Group Size	Child-Staff Ratio	Training	Exp. >0	Weekly Exp. ^a	Exp. per Hour ^a
1. Other Parent	1.9	1.7	—	.06	14.25	.98
2. Other Relative in Child's Home	1.9	1.7	—	.23	27.43	1.46
3. Nonrelative in Child's Home	1.9	1.8	.08	.45	41.12	1.41
4. Relative in Relative's Home	2.0	1.7	—	.33	24.69	.97
5. Nonrelative in Nonrelative's Home	3.5	3.1	.12	.56	33.35	1.30
6. Day Care Center or Preschool	16.2	6.8	.92	.51	33.00	1.42
Age of Child						
0	2.6	2.0	.07	.29	33.59	1.37
1	3.6	2.6	.11	.33	31.20	1.21
2	4.6	2.9	.14	.34	28.95	1.19
3	6.1	3.3	.24	.36	32.20	1.29
4	9.1	4.4	.35	.38	30.71	1.11
5	6.3	3.3	.19	.29	30.45	1.43
6-11	3.8	2.6	.06	.19	22.06	1.73

SOURCE: Calculated from the National Longitudinal Survey of Youth.

^aAmong those with expenditure > 0.

TABLE 3
Determinants of Child-Staff Ratio and Provider Training^a

	Child-Staff Ratio				Provider Training			
	Family Day Care Homes		Day Care Centers and Preschools		Family Day Care Homes		Day Care Centers and Preschools	
Intercept	-3.5	(-1.9)*	4.81	(4.43)	-.52	(.33)	1.08	(.36)**
Age of Youngest Child ^b								
One	.41	(.32)	.92	(1.16)	.11	(.05)**	-.06	(.09)
Two	1.12	(.61)*	.58	(1.41)	.26	(.01)**	-.16	(.12)
Three	1.17	(.63)*	1.28	(1.36)	.32	(.10)***	-.13	(.12)
Four	1.51	(.62)***	1.40	(1.45)	.33	(.10)***	-.22	(.13)*
Five	1.34	(.66)**	.98	(1.52)	.17	(.11)	-.11	(.13)
Six +	2.15	(.63)***	5.06	(1.86)***	.20	(.11)*	-.05	(.16)
Mother's Age	.16	(.08)**	-.04	(.17)	.001	(.01)	-.004	(.014)
Mother's Educ.	.18	(.10)*	-.09	(.21)	.028	(.018)	-.001	(.017)
Black	-.62	(.30)**	-.28	(.59)	.01	(.05)	.05	(.05)
Other Race	-.82	(.55)	-1.58	(1.14)	-.10	(.09)	.04	(.08)
Mother's Hourly Wage ^c	-.48	(.26)*	.20	(.53)	-.02	(.04)	.005	(.043)
Husband's Earnings/10000 ^d	-.08	(.10)	.04	(.22)	-.023	(.015)	.009	(.023)
Nonwage Income/1000	.15	(.13)	.034	(.070)	-.016	(.021)	-.017	(.006)***
Married	.21	(.30)	-.27	(.61)	.05	(.05)	.03	(.05)

Number of Children in Household aged ^e									
0-1	1.49	(.40)***	1.08	(.82)	.21	(.07)***	-.16	(.09)*	
2-3	.85	(.36)**	.46	(.75)	.01	(.06)	-.02	(.07)	
4-5	.61	(.26)**	1.20	(.60)**	-.05	(.04)	.02	(.05)	
6-8	-.01	(.23)	-.41	(.54)	.04	(.04)	.03	(.04)	
9-11	-.42	(.35)	1.11	(.79)	-.07	(.06)	-.10	(.06)	
12-14	.97	(.55)*	2.00	(1.11)*	.12	(.10)	.09	(.11)	
15-18	-.73	(.46)	-.87	(.69)	-.12	(.07)*	.02	(.06)	
Number of Other Adults in Household ^f									
SMSA	.19	(.16)	-.14	(.25)	.03	(.03)	-.01	(.02)	
Legal Maximum Child-Staff Ratio ^g	.49	(.26)*	.81	(.60)	.06	(.04)	.02	(.05)	
State Requires Training ^g	.043	(.18)**	.127	(.077)	.0065	(.0029)**	.002	(.006)	
R ² (F)	.22	(.22)	.43	(.46)	.048	(.036)	.082	(.037)**	
n	.11	(2.03)	.12	(1.98)	.11	(1.70)	.10	(1.28)	
		451		403		373		320	

SOURCE: Calculated from the National Longitudinal Survey of Youth.

^aThe estimates reported are linear regression coefficients and, in parentheses, standard errors.

^bThe omitted category is age zero.

^cThe mother's hourly wage is imputed from a selectivity-corrected regression using all women and all years in the NLSY. See Blau and Robins (1989b) for the wage equation estimates.

^dHusband's earnings equal zero if no husband is present.

^eThe children are not limited to those of the respondent; they may include her siblings as well as children of other household members.

^fOther than the respondent and her spouse, if any.

^gThe regulations differ for centers and home-based care. They are taken from Morgan (1987).

*Coefficient estimate is statistically significant at the 10 percent level.

**Coefficient estimate is statistically significant at the 5 percent level.

***Coefficient estimate is statistically significant at the 1 percent level.

TABLE 4

Sample Means of Variables Used in the Regression Analysis

	Child-Staff Ratio Equation		Provider Training Equation	
	Family Day Care Homes	Day Care Centers and Preschools	Family Day Care Homes	Day Care Centers and Preschools
Child-Staff ratio	3.2	7.0		
Provider Training			.12	.91
Age of Child in Years:				
One	.27	.12	.28	.10
Two	.21	.17	.19	.14
Three	.14	.24	.15	.25
Four	.08	.29	.09	.34
Five	.06	.10	.05	.10
Six +	.07	.03	.06	.03
Mother's Age	24.9	24.9	24.9	24.9
Mother's Educ.	12.3	12.6	12.4	12.6
Black	.23	.44	.24	.46
Other Race	.04	.04	.04	.04
Mother's Wage	4.59	4.63	4.62	4.65
Husband's Earnings/10000	1.1408	.8629	1.1203	.8073
Nonwage Income/1000	.217	.384	.226	.307
Married	.63	.49	.62	.48
Number of Children in the Household Aged:				
0-1	.50	.21	.51	.18
2-3	.42	.47	.43	.44
4-5	.31	.52	.32	.55
6-8	.26	.20	.27	.19
9-11	.10	.07	.10	.07
12-14	.03	.04	.03	.03
15-18	.03	.07	.04	.07
Number of Other Adults in Household	.34	.55	.35	.58
SMSA	.71	.78	.70	
Legal Maximum Child-Staff Ratio	4.8	8.8		
State Requires Training		.49	.47	.51
n	452	403	373	320

SOURCE: Calculated from the National Longitudinal Survey of Youth.

NOTES: The samples described in this table contain observations with no missing data on the dependent and independent variables. There was a large amount of missing data on the child-staff ratio and, particularly, training.