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Series P-70, No. 20

by
Martin O'Connell
and Amara Bachu

Who's Minding The Kids?



Child Care Arrangements:
Winter, 1986-87

SIPP

Survey of Income and Program Participation

U.S. Department of Commerce
BUREAU OF THE CENSUS

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Who's Minding the Kids? Child Care Arrangements: 1986-87

U.S. Department of Commerce
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Series P-70, No. 20
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Errata

Please note the following corrections to table 4 and figures 1 and 2 in your copy of the published report.

Table 4. Primary Child Care Arrangements Used by Fathers or Male Guardians Either Employed or Enrolled in School for Children Under 15: Fall 1986 and 1987

(Numbers in thousands. For meaning of symbols, see text)

| Survey date and age of child | Number of children | Percent | Type of primary child care arrangement | | | | | | | | | | | |
|------------------------------|--------------------|---------|--|--------------|----------------|--------------|--------------------------|----------------|--------------|-----------------------|--------------------|---------------------------|----------------------|-------------------------------------|
| | | | Care in child's home by— | | | | Care in another home by— | | | Day/group care center | Nursery/pre-school | Kindergarten/grade school | Child cares for self | Father cares for child ¹ |
| | | | Mother | Grand-parent | Other relative | Non-relative | Grand-parent | Other relative | Non-relative | | | | | |
| FALL 1986 | | | | | | | | | | | | | | |
| Total | 1,537 | 100.0 | 6.6 | 0.9 | 1.1 | 1.8 | 3.4 | 1.7 | 3.8 | 13.1 | 6.0 | 55.1 | 5.0 | 1.6 |
| Children under 5 | 443 | 100.0 | 12.9 | 1.4 | - | 3.5 | 8.1 | 1.7 | 9.8 | 36.0 | 18.7 | 5.1 | - | 2.8 |
| Children 5 to 14 | 1,094 | 100.0 | 4.0 | 0.6 | 1.6 | 1.1 | 1.5 | 1.7 | 1.3 | 3.8 | 0.9 | 75.4 | 7.0 | 1.1 |
| FALL 1987 | | | | | | | | | | | | | | |
| Total | 1,906 | 100.0 | 7.9 | 1.5 | 2.8 | 1.4 | 2.8 | 0.8 | 4.3 | 10.3 | 3.6 | 54.6 | 6.6 | 3.3 |
| Children under 5 | 467 | 100.0 | 19.4 | - | - | 3.1 | 7.1 | 3.4 | 15.3 | 26.5 | 12.6 | 5.8 | - | 7.0 |
| Children 5 to 14 | 1,439 | 100.0 | 4.2 | 1.9 | 3.6 | 0.9 | 1.5 | - | 0.8 | 5.0 | 0.7 | 70.5 | 8.8 | 2.0 |

¹Includes men working at home or away from home.

Figure 1.
**Primary Child Care Arrangements for
 Infants and Preschoolers: Fall 1987**
 (In percent)

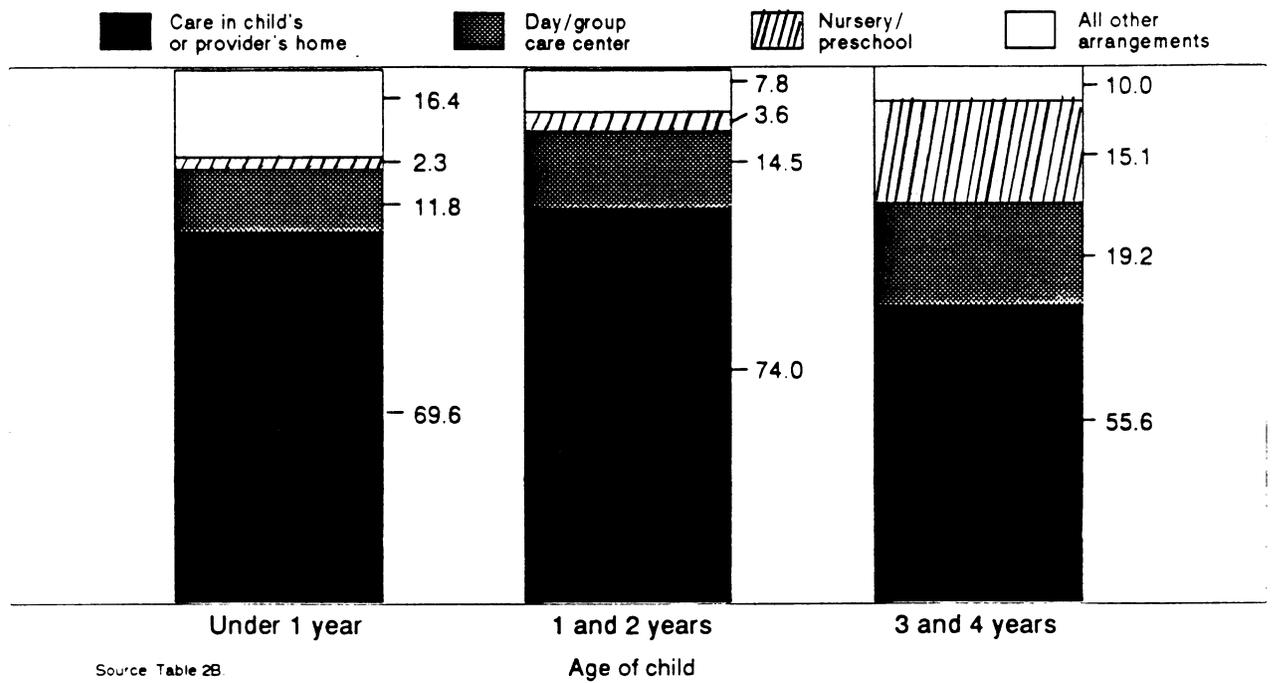
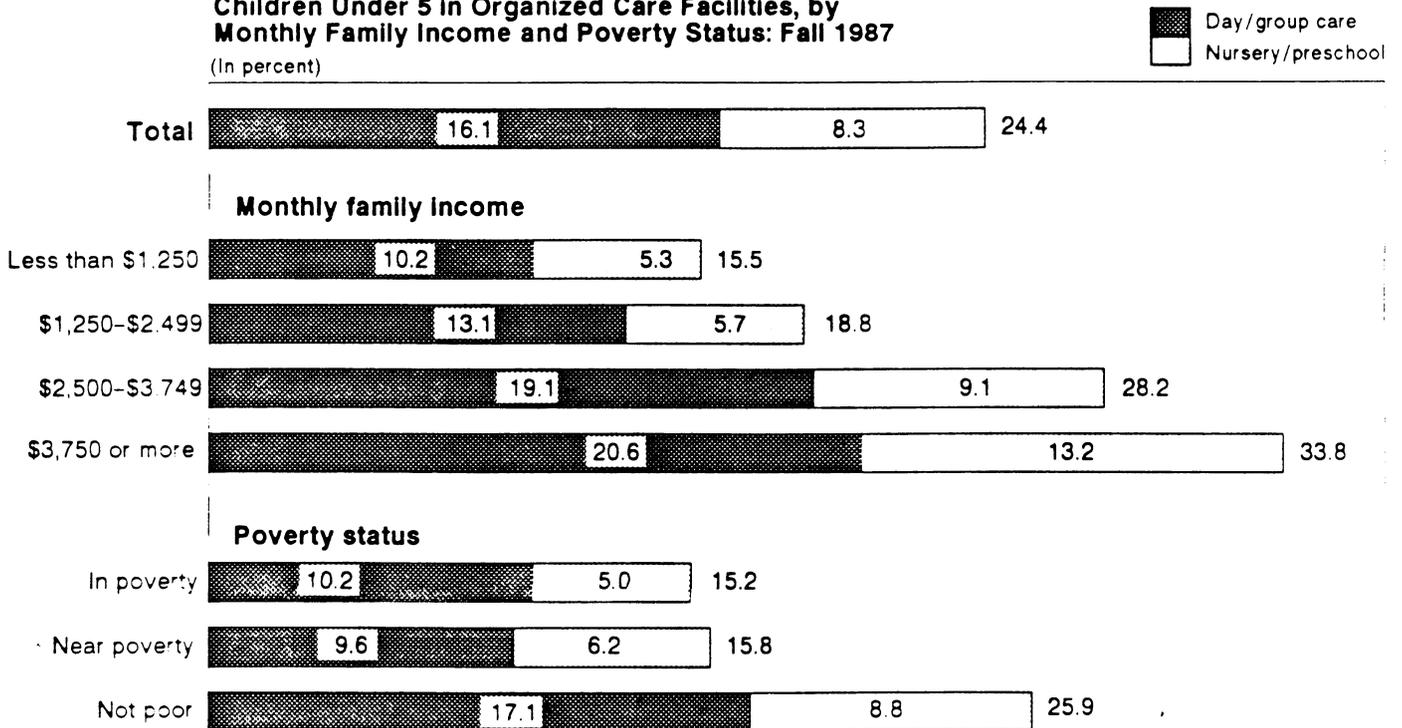


Figure 2.
**Children Under 5 In Organized Care Facilities, by
 Monthly Family Income and Poverty Status: Fall 1987**
 (In percent)



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Who's Minding the Kids?

Child Care Arrangements: 1986-87

INTRODUCTION

The child care statistics shown in this report are for children under the age of 15 whose parents or guardians were employed in the labor force or attending school during September to November, 1987. How these children are cared for while their parents are at work or in school, the complexity of these arrangements and the accompanying disruptions in the daily work schedule, and the financial costs attributable to child care services are some of the topics presented in this report.

Survey background. Data on child care arrangements have been collected by the Census Bureau in prior supplements to the Current Population Survey (CPS) since 1958¹ and more recently in supplements to the Survey of Income and Program Participation (SIPP) since 1984.² This report discusses the most recent statistics on child care arrangements in the United States based on data collected in the SIPP for the September-November 1987 period. Final statistics for 1986 are also shown in the detailed tables in this report, updating preliminary data published in a press release issued in 1989.³ Data from earlier CPS and SIPP supplements on child care also are presented in order to show an historical perspective on changes that have occurred in the way working parents arrange for the care of their children. The arrangements shown in this report do not distinguish between the demands and desires for specific types of child care services by working parents or the supply or availability of these arrangements. The numbers shown here represent the current arrangements used by working parents who have decided what arrangements should be used based on their individual needs and resources and the availability of child care services.

Terms used in this report. The term "child care arrangements" used in this report describes how children are cared for during the time their parents are at

work or attending school. Child care arrangements include not only informal arrangements where neighbors, relatives, or family members look after the children either in the child's home or their own homes but also organized child care facilities such as day or group care centers and nursery schools or preschools.

Also included are responses which indicate that the parents themselves care for their children while at work (either at home or outside their home) or in school, or that the children are left to care for themselves. Since school-age children are included in the survey, child care, in its broadest sense, also includes the time children are enrolled in kindergarten or grade school during the time their parents are at work or in school.

Some parents may use more than one type of child care arrangement in a typical week; therefore, two categories of arrangements are shown in this report, primary and secondary. The primary child care arrangement refers to what the child was usually doing or the way the child was usually cared for during most of the hours the child's parent was at work or in school. If other arrangements were used in addition to the primary arrangement, the one used second most frequently was called the secondary arrangement. For example, if a child was in grade school most of the time his or her parent worked and then was left to care for himself or herself after school, the primary child care arrangement for this child would be "enrolled in grade school" and the secondary child care arrangement would be "child cares for self."

The respondent determined the category of the child care arrangement used for his or her own children. No inquiry was made in the survey concerning the licensing status of the child care facilities or private homes providing the child care.

Information on child care arrangements used by parents for their children was asked of the wife and not the husband in the case of married-couple families. As such, arrangement usage refers to the time the wife, not the husband, was at work or in school. In families where only one parent was present or where the child was cared for by a legal guardian (excluding foster parents), information on child care arrangements was obtained from that parent or guardian. In cases where the designated respondent was both employed at a job and enrolled in school, questions on child care arrangements pertain only to the time the respondent was at work. Otherwise, the questions refer only to the time the

¹Current Population Reports, Series P-23, No.117, *Trends in Child Care Arrangements of Working Mothers*, and Series P-23, No. 129, *Child Care Arrangements of Working Mothers: June 1982*.

²Current Population Reports, Series P-70, No.9, *Who's Minding the Kids? Child Care Arrangements: Winter 1984-85*.

³Press release, July 27, 1989, CB 89-119, "Child Care Costs Estimated at \$14 Billion in 1986, Census Bureau Survey Shows."

respondent was either at work or in school. The terms "employed" or "working" mothers or women are used interchangeably in this report to refer to women employed in the paid labor force in the month preceding the interview.

HIGHLIGHTS

(The figures in parentheses denote the 90-percent confidence interval of the estimate.)

Child Care Arrangements and Trends

- In the fall of 1987, 59 (± 0.9) percent of children under 15 years old had mothers who were employed in the labor force. Another 3 (± 0.3) percent had mothers who were enrolled in school.
- The majority of preschool-age children with employed mothers in the fall of 1987 were cared for in a home environment while their mothers were at work; 30 (± 1.9) percent were cared for in their own homes, while 36 (± 2.0) percent were cared for in the provider's home.
- Twenty-four (± 1.8) percent of preschool-age children with employed mothers were cared for in day/group care centers or nursery/preschools during most of the hours their mothers were at work in fall 1987. These proportions were significantly higher than those estimated for preschoolers in June 1977 (13 ± 1.4 percent) from the Current Population Survey.
- About 8 (± 0.3) million children of employed mothers also used a secondary child care arrangement in fall 1987. The majority of children (6 million ± 0.3 million) using secondary arrangements were 5 years and over and were attending kindergarten or grade-school during most of the time their mothers were at work. Twenty-two (± 2.2) percent of these children (1.3 million ± 0.1 million) cared for themselves after school.

Economic Aspects of Child Care Arrangements

- Child care related work disruptions affected 7 (± 1.1) percent of employed women with children each month in fall 1987. Among women with only one child, work disruptions were more prevalent among women with infants and 1- and 2-year-olds than among women with school-age children.
- Children under 5 living in poverty in fall 1987 depended more on in-home care by their grandparents and relatives than did children of more economically advantaged parents. On the other hand, families which were not poor more often used organized child care facilities and family day care providers outside their homes for their children than did families living in poverty.

Child Care Expenditures

- One-third (± 2.5 percent) of the families with employed women with children under 15 years old paid for child care during fall 1987, averaging \$49 ($\pm \3) per week. This amounted to an estimated annual expenditure of \$15.5 billion. Since the first SIPP survey taken in winter 1984-85, costs have increased by \$8.20 ($\pm \3.40) per week, of which \$3.60 of this increase was the result of inflation.
- Child care costs in fall 1987 were higher in the Northeast (\$57, $\pm \$11$) than in the South (\$43, $\pm \$4$). Families in the Northeast reported that child care expenditures made up 7.1 (± 1.1) percent of their monthly family income which was not statistically different from 6.6 (± 0.6) percent reported by families living in the South.
- Child care payments in fall 1987 amounted to 6.6 (± 0.5) percent of the monthly family income of employed mothers of children under 15. Women in poverty who made child care payments spent one-quarter (± 4.8 percent) of their family income on child care, compared with 6.3 (± 0.5) percent for employed women in families who were not poor.

POPULATION COVERAGE

The child care data presented in this report profile the arrangements typically used for children under 15 years old (including any adopted or stepchildren) during the time their parents were at work or in school. There were an estimated 52.1 million children under age 15 living in the United States with their mothers in the fall (September to November) of 1987 (table A). About 59 percent of these children (30.6 million) had mothers who were employed. Since the data on child care arrangements were collected only for the three youngest children under age 15 in the family, data are shown for 28.8 million children. This represents 94.2 percent of all children under 15 years of age of employed mothers.

In addition to the children whose mothers were employed, there were another 1.4 million children whose mothers were enrolled in school, of which 1.2 million (90.5 percent) were in the survey universe. The remaining children, 20.1 million, were living with mothers who were neither employed nor attending school. Some of the children of these women may also attend nursery schools or day care centers during the day. However, the SIPP data set shown in this report did not include questions on child care arrangements for parents who were neither employed nor enrolled in school. Future child care supplements to the SIPP will ask child care questions of persons who are not employed but looking for a job.

The final group shown in table A is children who are not living with their mothers but with their fathers or male guardians who were either employed or enrolled in

**Table A. Population Universe for Child Care
Module: Fall 1987**

(Numbers in thousands. Numbers represent average monthly estimate of employed and enrolled parents or guardians and their children)

| Population | Total | Children under 5 | Children 5 to 14 |
|--|--------|------------------|------------------|
| Total women¹: | | | |
| Number | 29,767 | 14,457 | 21,555 |
| Number of children ² | 52,092 | 18,463 | 33,630 |
| Employed women³: | | | |
| Number | 18,501 | 7,914 | 13,917 |
| Number of children ² | 30,612 | 9,550 | 21,061 |
| Children in sample ⁴ | 28,842 | 9,124 | 19,718 |
| Women enrolled in school³: | | | |
| Number | 771 | 452 | 458 |
| Number of children ² | 1,369 | 594 | 775 |
| Children in sample ⁴ | 1,239 | 569 | 670 |
| Men employed or enrolled in school³: | | | |
| Number | 1,407 | 452 | 1,117 |
| Number of children ² | 2,197 | 524 | 1,673 |
| Children in sample ⁴ | 1,906 | 467 | 1,439 |

¹Refers to average monthly number of women as of interview date, October-December, 1987.

²Total number of children living with a parent or a guardian.

³Employed or enrolled in school as of reference month.

⁴Information collected only for three youngest children living in the household.

Note: Total number of parents is less than individual estimates by age of children as some parents have children in both age groups.

school. An estimated 1.4 million men cared for approximately 2.2 million children under 15 years old. Since the child care questions were asked only for the three youngest children in the household, the estimated population for analysis was reduced to 1.9 million children.

PRIMARY CHILD CARE ARRANGEMENTS

Table B shows the distribution of the primary child care arrangements for children under 5 years old (preschoolers) and grade-school-age children 5 to 14 years old in fall 1987.

Child care arrangements for grade-school-age children. Seventy-one percent (14 million) of the 19.7 million grade-school-age children of employed mothers were in either kindergarten or grade school most of the hours their mothers were at work. This does not mean that the remaining 29 percent were not enrolled in school; rather it implies that the majority of the hours that the mothers worked did not necessarily coincide with their children's school day. A subsequent section in this report will examine the secondary child care arrangements provided for school-age children in addition to the time they spend in school.

Of the remaining 5.7 million grade-school-age children not attending kindergarten/grade school, 2.7 million children were cared for in their own home. One-half of the total care in the children's homes was provided by the children's fathers. About 800,000 children were left unsupervised most of the time that their mothers were at work.

Child care arrangements for children under 5 years old. Employed women with preschool age children use more non-school types of child care arrangements for their children than do employed women with older children who spend most of their daytime hours in school. Thirty percent of preschoolers in fall 1987 were cared for in their own homes, mainly by their fathers,

Table B. Primary Child Care Arrangements Used by Employed Mothers for Children Under 15: Fall 1987

(Numbers in thousands)

| Type of arrangement | Total | | Under 5 years | | 5 to 14 years | |
|---|--------|---------|---------------|---------|---------------|---------|
| | Total | Percent | Total | Percent | Total | Percent |
| All children | 28,842 | 100.0 | 9,124 | 100.0 | 19,718 | 100.0 |
| Care in child's home | 5,397 | 18.7 | 2,726 | 29.9 | 2,671 | 13.5 |
| By father | 2,719 | 9.4 | 1,395 | 15.3 | 1,324 | 6.7 |
| By grandparent | 750 | 2.6 | 463 | 5.1 | 287 | 1.5 |
| By other relative | 1,090 | 3.8 | 298 | 3.3 | 792 | 4.0 |
| By nonrelative | 838 | 2.9 | 570 | 6.2 | 268 | 1.4 |
| Care in another home | 4,309 | 14.9 | 3,249 | 35.6 | 1,059 | 5.4 |
| By grandparent | 1,177 | 4.1 | 792 | 8.7 | 384 | 1.9 |
| By other relative | 593 | 2.1 | 414 | 4.5 | 179 | 0.9 |
| By nonrelative | 2,539 | 8.8 | 2,043 | 22.4 | 496 | 2.5 |
| Organized child care facilities | 2,679 | 9.3 | 2,220 | 24.3 | 459 | 2.3 |
| Day/group care center | 1,806 | 6.3 | 1,465 | 16.1 | 341 | 1.7 |
| Nursery school/preschool | 873 | 3.0 | 755 | 8.3 | 118 | 0.6 |
| Kindergarten/grade school | 14,105 | 48.9 | 90 | 1.0 | 14,014 | 71.1 |
| Child cares for self | 832 | 2.9 | 24 | 0.3 | 807 | 4.1 |
| Mother cares for child at work ¹ | 1,521 | 5.3 | 814 | 8.9 | 707 | 3.6 |

¹Includes women working at home or away from home.

while 36 percent were cared for in another home, usually by someone not related to the child (table B). The use of organized child care facilities (24 percent) was substantial for these younger children, and provided the primary child care services for 2.2 million children under 5 years old.

An additional 9 percent of preschoolers were cared for by their mothers while working, either at home or away from home, thus eliminating potentially expensive commuting and child care costs. The types of jobs women hold also affect their ability to care for their children while working. For example, of the 724,000 mothers with preschool children who cared for their own children while working, about 26 percent of those mothers were employed either as private household workers or as child care workers.

The hourly demands for child care services placed upon families with mothers employed full time cannot normally be met by other household members or relatives who have full-time jobs and career commitments. As a result, the location of child care activities for full-time working mothers tends to be outside of the child's home and with nonrelatives, rather than in the child's home with family members or relatives.

Table 1B shows that preschool-age children of mothers employed full time in fall 1987 were less likely to be cared for at home (24 percent) than were children of mothers employed part time (39 percent). Child care provided by the father was also less frequently used by women who worked full time (10 percent) than who worked part time (25 percent). Part-time working mothers may have taken jobs or had their work hours scheduled in the evenings or weekends in order that fathers working on a "9 to 5" schedule could look after their children.

In addition, 13 percent of the children of part-time workers were cared for by their mothers while at work, compared with 7 percent of the children of women working full time. Offsetting this less frequent use of parental care by full-time working mothers was their greater reliance on child care in the home of someone unrelated to the child (39 versus 30 percent) and on organized child care facilities (28 versus 18 percent).

Child care arrangements used by mothers enrolled in school. Only 3 percent of children under 15 years in fall 1987 had mothers enrolled in school (table A). Of the 1.2 million children under 15 years for whom information was collected, 36 percent were attending kindergarten/grade school themselves while their mothers were enrolled in school (table 3).

For children under 5 years, 41 percent of the care was provided in the child's home (one-half of the children cared for at home were cared for primarily by the father) and another 21 percent were cared for in either a day/group care center or in a nursery/preschool arrangement.

For children 5 to 14 years, 65 percent attended kindergarten/grade school while another 14 percent were cared for by their fathers at home during the time their mothers were attending school.

Child care arrangements used by fathers or male guardians. The SIPP questionnaire on child care was designed primarily to collect data on the child care arrangements of women either employed or enrolled in school. Questions were also asked about the arrangements used by children who were living with their fathers (and not their mothers) or with male legal guardians. Table 4 shows the primary child care arrangements used by the father or male guardian while at work or enrolled in school for their three youngest children under 15 years of age. In fall 1987, 1.9 million children under 15 years of age were living with their fathers or male guardians, and 1.4 million of these children were of grade-school age.

Seventy-one percent of grade-school-age children living with their fathers had their child care needs addressed by attending kindergarten/grade school (table 4). Among preschool-age children living with their fathers, 39 percent were cared for primarily in organized child care facilities (day/group care centers and nursery/preschools). A large proportion of preschoolers (19 percent) living with their fathers, however, still received child care from their mothers who lived elsewhere.

TRENDS IN CHILD CARE ARRANGEMENTS: 1977-87

In the June 1977 Current Population Survey, information was collected about the child care arrangements used by employed women for their two youngest children under 5 years old. In June 1977, 35 percent of these women with preschoolers were employed at the time of the survey.⁴ Data for the fall of 1987 from the SIPP (table A), indicate that 55 percent of women with children under 5 were employed. What changes have occurred in the child care arrangements used by these women during this period of increasing employment?

Table C shows the distributions of the primary child care arrangements used by employed mothers for their children under 5 years old for selected survey years between 1977 and 1987. Data from the Fall 1987 SIPP survey and the first SIPP survey taken in winter 1984-85 (December 1984 to March 1985) indicate that there were no significant changes in the distribution of child care services utilized by employed women for their preschool-age children since 1984.

From a longer perspective, several changes have been noted in the 10-year period prior to the SIPP. Since 1977, there has been a decline in the utilization of

⁴Current Population Reports, P-23, No. 117, *op. cit.*, table A-2.

Table C. Primary Child Care Arrangements Used by Employed Mothers for Children Under 5: Selected Periods, 1977-87

(Numbers in thousands)

| Type of arrangement | Fall 1987 | Fall 1986 | Winter 1984-85 | June 1977 ¹ |
|---|-----------|-----------|----------------|------------------------|
| Number of children | 9,124 | 8,849 | 8,168 | 4,370 |
| Percent | 100.0 | 100.0 | 100.0 | 100.0 |
| Care in child's home | 29.9 | 28.7 | 31.0 | 33.9 |
| By father | 15.3 | 14.5 | 15.7 | 14.4 |
| By other relative | 8.4 | 8.6 | 9.4 | 12.6 |
| By nonrelative | 6.2 | 5.5 | 5.9 | 7.0 |
| Care in another home | 35.6 | 40.7 | 37.0 | 40.7 |
| By relative | 13.3 | 16.7 | 14.7 | 18.3 |
| By nonrelative | 22.3 | 24.0 | 22.3 | 22.4 |
| Day care/nursery school | 24.4 | 22.4 | 23.1 | 13.0 |
| Child cares for self | 0.3 | - | - | 0.4 |
| Mother cares for child at work ² | 8.9 | 7.4 | 8.1 | 11.4 |
| Other arrangements ³ | 1.0 | 0.8 | 0.8 | 0.6 |

- Represents zero.

¹Data only for the two youngest children under 5 years of age.

²Includes women working at home or away from home.

³Includes children in kindergarten/grade school.

Source: Tabulations derived from the June 1977 Current Population Survey; Current Population Reports, Series P-70, No. 9, table 1, and tables 1A and 1B of this report.

relatives as child care providers both in the child's home and in the provider's home. For example, care provided by relatives (other than by the child's parents) in the child's home declined from 12.6 percent in 1977 to 8.4 percent in 1987. Similarly, care provided by relatives in their own homes also decreased between 1977 and 1987. The decline in the availability of relatives as child care providers may reflect the overall increase in the labor force participation of women outside the home, thus reducing the potential number of female relatives available for child care services. The proportion of children cared for by their mothers while at work also declined between 1977 and 1987 from 11.4 to 8.9 percent.

Declines in relative and maternal child care providers were offset by increases in the proportion of children cared for in organized child care facilities (day/group care centers or nursery/preschools). In fall 1987, 24 percent of children under age 5 were in organized child care facilities most of the time their mothers were at work. Other SIPP surveys from previous years show no significant change in this type of arrangement. However, earlier estimates from the Current Population Survey indicated that only 13 percent of children were in organized child care facilities while their mothers were at work in June 1977.

Seasonal variation in child care. The comparisons shown in table C have not been adjusted for possible seasonal variation in child care arrangements throughout the year. Differences noted between June 1977 and September to November 1987 may have partly resulted from seasonal variation in the availability of child care

facilities over the course of the year. Data in table D from SIPP surveys in 1986 covering the period August to November indicate that seasonal variation may affect the type of child care arrangements used by parents for their children.

Among preschool age children, nursery/preschool child care arrangements were used less often in August 1986 (3 percent) than in September to November (7.5 percent). As with grade schools, many nursery and preschools close during the summer months. No differences were noted in the utilization of day/group care centers for preschoolers (15 percent) between August and September to November. On the other hand, during the summer, a greater proportion of preschoolers are cared for in their grandparent's homes or by their mothers while at work. It is likely, then, that estimates of the utilization of organized child care facilities derived from the June 1977 CPS and other June CPS supplements may have reflected a low seasonal usage of these arrangements compared to usage during the school year.

Seasonal variation in child care arrangements is even more marked for children 5 to 14 years old. Table D shows that while 71 percent of these children were in school most of the time their mothers were at work in the fall of 1986, only 22 percent were attending school during August while their mothers were at work. Self care by the child was considerably higher in August (13 percent) than in the fall (5 percent), as was care by the mother while she was at work, and care either in the child's or in another home. Even though day/group care usage was very low for these older children during the fall 1986 school year (2 percent), in August 1986, about 6 percent of grade-school-age children were cared for in such centers.

Table D. Primary Child Care Arrangements Used by Employed Mothers for Children Under 15, by Age of Child: August 1986 and September to November 1986

(Numbers in thousands)

| Age of child and type of arrangement | Children under 5 years | | Children 5 to 14 years | |
|---|------------------------|----------------------------|------------------------|----------------------------|
| | August 1986 | September to November 1986 | August 1986 | September to November 1986 |
| Number of children | 9,582 | 8,849 | 19,225 | 19,692 |
| Percent..... | 100.0 | 100.0 | 100.0 | 100.0 |
| Care in child's home | 28.4 | 28.7 | 32.8 | 13.2 |
| By father | 14.6 | 14.5 | 11.1 | 7.2 |
| By grandparent..... | 4.6 | 5.2 | 3.3 | 1.2 |
| By other relative..... | 2.3 | 3.4 | 10.7 | 3.6 |
| By nonrelative..... | 7.0 | 5.5 | 7.7 | 1.3 |
| Care in another home..... | 42.0 | 40.7 | 17.0 | 5.5 |
| By grandparent..... | 15.8 | 10.2 | 6.8 | 1.7 |
| By other relative..... | 6.0 | 6.5 | 2.8 | 1.1 |
| By nonrelative..... | 20.2 | 24.0 | 7.5 | 2.7 |
| Organized child care facilities | 18.0 | 22.4 | 6.2 | 2.7 |
| Day/group care center | 15.0 | 14.9 | 5.6 | 1.7 |
| Nursery school/preschool | 3.0 | 7.5 | 0.6 | 1.0 |
| Kindergarten/grade school | 0.2 | 0.8 | 22.0 | 70.6 |
| Child cares for self..... | - | - | 13.2 | 4.8 |
| Mother cares for child at work ¹ | 11.3 | 7.4 | 8.7 | 3.2 |

- Represents zero.

¹Includes women working at home or away from home.

Note: Data for August 1986 are from Wave 6 of the 1985 panel. Data for September to November, 1986 are from the combined SIPP panels of 1985 (Wave 6) and 1986 (wave 3).

CHILD CARE ARRANGEMENTS FOR PRESCHOOLERS

Variations in arrangements by age of the child. The previous sections have indicated that the types of child care arrangements used by employed mothers vary greatly among preschool and grade school age children. But even among preschoolers, variations in child care arrangements can be found by age. As the children grow from infancy to school age, employed women make considerable changes in the child care arrangements in order to meet the needs of their children and the changing demands of their family and their employer. However, problems in finding child care arrangements for young children are often encountered by working adults since organized child care facilities usually deny the admission of infants and very young children. Estimates from the June 1987 Current Population Survey (CPS) show that 51 percent of all women 18 to 44 years old who had a birth in the 12-month period preceding the survey were in the labor force, up from 31 percent in 1976.⁵

Data from the SIPP indicate that there were 1.5 million children under 1 year of age in the fall of 1987 whose mothers were employed in the labor force (table E). Seventy percent of the infants were cared for in

either the child's home or another home (figure 1). Another 12 percent were cared for in day/group care centers while 2 percent were cared for in nursery/preschools.

Among 1- and 2-year-olds, child care either in the child's home or in another home accounted for 74 percent of all arrangements while organized child care facilities made up 18 percent of the primary care for these children, neither of these percentages being statistically different from that recorded for infants' arrangements (figure 1). For 3- and 4-year-old children, care in either the child's home or in another home declined to only 56 percent of all arrangements while organized child care facilities made up 34 percent of the primary care.

Organized child care facilities. The term organized child care facilities used in this report refers to day/group care centers and nursery/preschools. A day/group care center must be an incorporated business and licensed to care for children and may be run by a government agency, a business enterprise, or a charitable or religious organization. A day care center may be located in a private home. If a person is licensed to care for children in his or her own home but does not claim to be a business enterprise or day care center, this arrangement is categorized as care provided by a "nonrelative in another home." Often, this provider is called a "family day care provider."

⁵Current Population Reports, Series P-20, No. 427, *Fertility of American Women: June 1987*, table C.

Table E. Primary Child Care Arrangements Used by Employed Mothers for Children Under 5, by Age of Child: Fall 1987

(Numbers in thousands)

| Type of arrangement | Total | | Under 1 year | | 1 to 2 years | | 3 to 4 years | |
|---|--------|---------|--------------|---------|--------------|---------|--------------|---------|
| | Number | Percent | Number | Percent | Number | Percent | Number | Percent |
| Number of children | 9,124 | 100.0 | 1,485 | 100.0 | 3,771 | 100.0 | 3,868 | 100.0 |
| Care in child's home | 2,727 | 29.9 | 463 | 31.2 | 1,235 | 32.7 | 1,029 | 26.6 |
| By father | 1,395 | 15.3 | 232 | 15.6 | 596 | 15.8 | 567 | 14.7 |
| By grandparent | 463 | 5.1 | 81 | 5.5 | 200 | 5.3 | 182 | 4.7 |
| By other relative | 298 | 3.3 | 27 | 1.8 | 188 | 5.0 | 83 | 2.2 |
| By nonrelative | 570 | 6.2 | 123 | 8.3 | 250 | 6.6 | 197 | 5.1 |
| Care in another home | 3,251 | 35.6 | 570 | 38.4 | 1,558 | 41.3 | 1,123 | 29.0 |
| By grandparent | 793 | 8.7 | 131 | 8.8 | 312 | 8.3 | 350 | 9.0 |
| By other relative | 428 | 4.7 | 93 | 6.3 | 228 | 6.0 | 107 | 2.7 |
| By nonrelative | 2,031 | 22.3 | 346 | 23.3 | 1,019 | 27.0 | 666 | 17.2 |
| Organized child care facilities | 2,220 | 24.3 | 209 | 14.1 | 683 | 18.1 | 1,328 | 34.3 |
| Day/group care center | 1,465 | 16.1 | 175 | 11.8 | 546 | 14.5 | 744 | 19.2 |
| Nursery school/preschool | 755 | 8.3 | 34 | 2.3 | 137 | 3.6 | 584 | 15.1 |
| Kindergarten/grade school | 90 | 1.0 | - | - | - | - | 90 | 2.3 |
| Child cares for self | 24 | 0.3 | 6 | 0.4 | 9 | 0.2 | 9 | 0.2 |
| Mother cares for child at work ¹ | 813 | 8.9 | 237 | 16.0 | 287 | 7.6 | 289 | 7.5 |

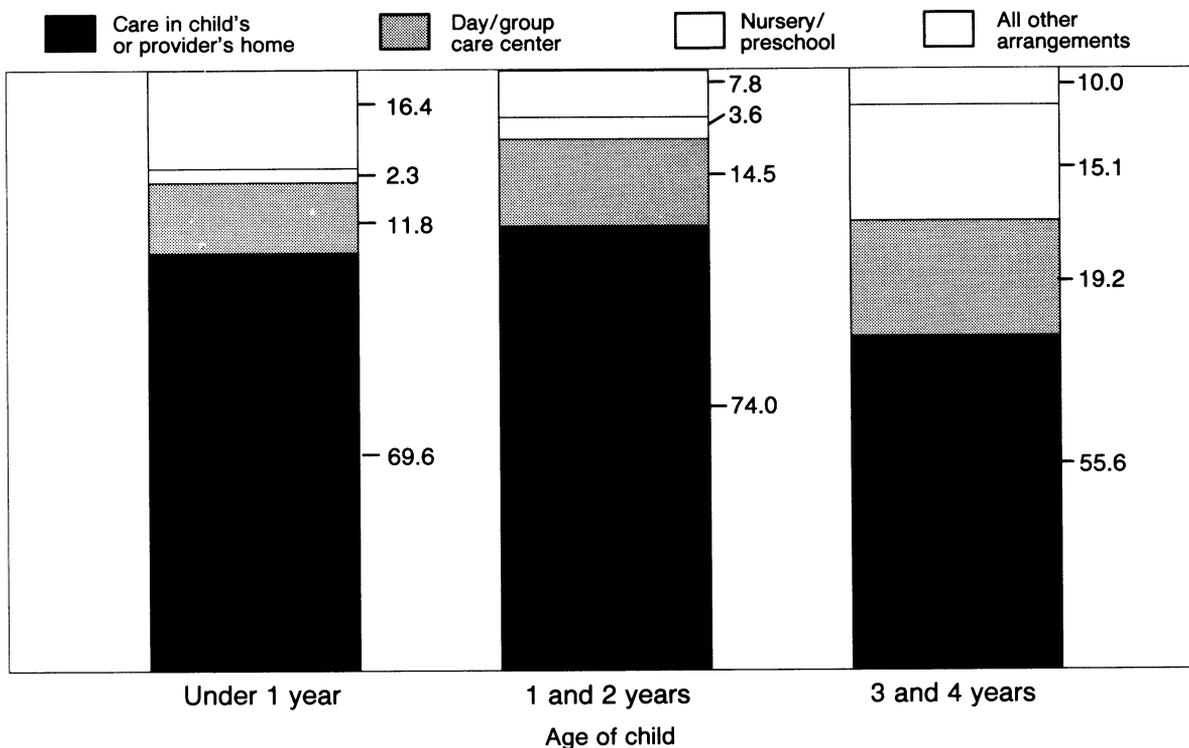
- Represents zero.

¹Includes women working at home or away from home.

These distinctions may not always be clear to the respondent and may even be affected by regional differences in terminology or governmental regulations used to categorize child care arrangements.

Nursery schools or preschools are used to describe formal organizations which provide an educational experience for children before they are old enough to enter kindergarten or grade school. These organizations include

Figure 1.
Primary Child Care Arrangements for Infants and Preschoolers: Fall 1987
(In percent)



instruction as an important and integral phase of their program of child care. Head start programs are included in this category.

Characteristics of users of organized child care. In fall 1987, 16 percent (1,465,000) of children under 5 years old of employed women were in day/group care centers while another 8 percent (755,000) were enrolled in nursery/preschool programs (table E). Three- and four-year-old children constituted the majority (60 percent) of preschoolers using organized child care facilities; 9 percent were under 1 year of age and 31 percent were either 1 or 2 years old.

Table 1B shows that the use of day/group care arrangements was higher among women employed full-time (19 percent) than among women employed part-time (11 percent) as was nursery/preschool usage (9 and 7 percent, respectively). One-quarter of the primary child care arrangements for the children of part-time working women were provided by the children's fathers which partly accounts for their low usage of organized child care facilities.

The economic status of the family is also related to the use of organized child care facilities as the primary child care arrangement (table 2B). Figure 2 shows that children of employed mothers whose family income exceeded \$3,750 per month (over \$45,000 per year) were twice as likely to be using organized child care facilities (34 percent) as were children living in families

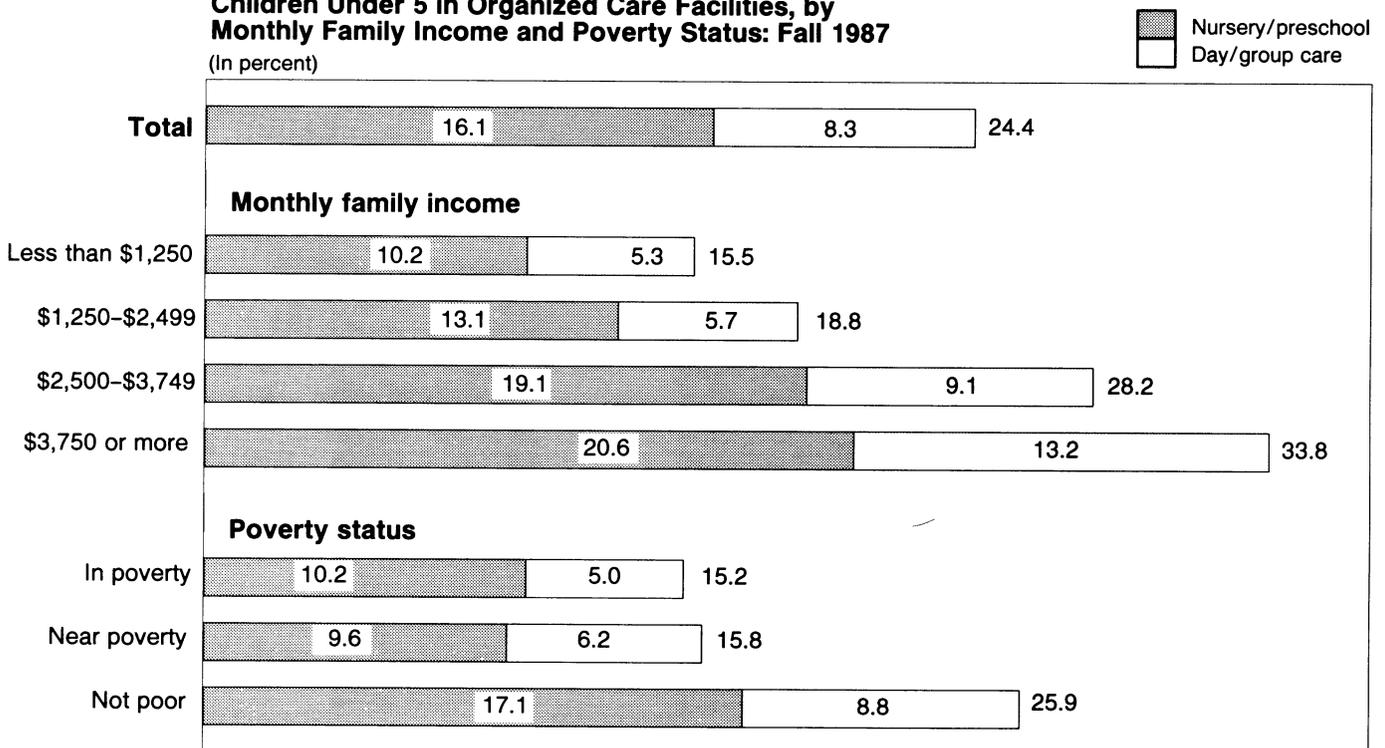
with monthly incomes less than \$1,250 per month (less than \$15,000 per year). For all of the income groups shown in figure 2, day/group care services for preschoolers were used twice as often as nursery/preschool arrangements.

Also shown in figure 2 is the utilization of organized child care facilities by the poverty status of the children's families.⁶ For children living in families in poverty or in families near the poverty level (up to 125 percent of poverty), approximately 15 percent used organized child care facilities as the primary child care arrangement while their mothers were at work. For children living in families categorized as "not poor" (125 percent of the poverty level and over), about one-quarter of the children used organized child care facilities. For this latter group of children, about twice as many used day/group care centers as nursery/preschools.

What are the other differences in the types of arrangements used by families in different economic groups? Children living in poverty in fall 1987 depended more on care in their own home provided by grandparents and other relatives than did children who were not poor (table 2B). On the other hand, children living in families which were not poor, in addition to their greater utilization of organized child care facilities, also relied more on care in another home by nonrelatives (23 percent) than did children living in poverty (15 percent).

⁶The average monthly poverty cutoff in the fall of 1987 for all families in the SIPP with children under age 15 was estimated at \$900.

Figure 2.
**Children Under 5 in Organized Care Facilities, by
Monthly Family Income and Poverty Status: Fall 1987**
(In percent)



Source: Table 2B.

Large differences in the use of organized child care facilities are also noted by the educational attainment level of the mother (table 2B). Children whose mothers had completed at least one year of college used organized child care facilities twice as often (29 percent) as did children whose mothers failed to complete high school (15 percent). These variations in child care arrangements undoubtedly reflect the financial abilities of the families in different educational categories.

SECONDARY CHILD CARE ARRANGEMENTS

About 8 million children (28 percent of children under 15) of employed mothers used a secondary child care arrangement in fall 1987 (table 5). (As defined earlier, the secondary child care arrangement refers to the arrangement used second most frequently during a typical work week of the mother.) Secondary child care arrangements were used by 12 percent of preschool-age children and by 35 percent of school-age children 5 to 14 years old. Children 5 years and over attending kindergarten or grade school composed 75 percent of all children who used secondary arrangements while their mothers were at work (6 million children).

The types of secondary child care arrangements used by older children who are in school most of the time their mothers were working are shown in table 6. The most frequently mentioned location of the secondary arrangement in fall 1987 was in the child's home after school (38 percent). This was also true in prior surveys conducted in fall 1986 and winter 1984-85. About one-quarter of the children in fall 1987 using secondary arrangements were cared for in a home other than their own while an additional 10 percent used organized child care facilities. Another 22 percent (1.3 million children) cared for themselves after school while their mothers were working. This proportion has not significantly changed since the first SIPP survey was conducted in winter 1984-85.

WORK DISRUPTIONS CAUSED BY FAILURES IN CHILD CARE ARRANGEMENTS

Some of the principal factors affecting a family's choice of child care arrangements include the quality and costs of the arrangements, proximity to work and home, and confidence in the ability and availability of the child care provider during the parent's working hours. The last factor is also of concern to the employer since it directly affects the rate of absenteeism resulting from a failure in a child care arrangement.

Data in table F provide estimates of child-care-related disruptions in the regular work schedule of employed parents. Employed women were asked about the time they or their husbands lost during the reference month because the person who usually cared for their

child (or children) was not available. This question was asked of women who had any of their three youngest children under 15 years of age cared for either by a grandparent or another relative (excluding the child's parents or siblings), a nonrelative, or at a day/group care center or nursery/preschool.

Of the 9 million women using any of the above arrangements in the fall of 1987, 7 percent reported losing some time from work in the last month as a result of a failure in a child care arrangement (table F). Data from a prior SIPP survey in winter 1984-85 (December 1984 to March 1985)⁷ indicated that 5.9 percent of women reported losing time from work, a figure not statistically different from the 1987 estimate.

Estimates of child care related work disruptions for women who have only one child and who use only one type of child care arrangement while at work are also shown in table F. Work disruptions from failures in child care arrangements in fall 1987 affected 5.9 percent of these 3 million employed women with only one child under 15 years old. Women with infants and 1- and 2-year-olds generally experienced more work disruptions than women with grade-school-age children.

In addition women who placed their children in someone else's home while at work experienced more work disruptions than women using day/group care centers. Child care in someone else's home may be more susceptible to personal emergencies or weather-related disruptions that result in higher rates of failures in child care arrangements than day care facilities where more staff are available on a daily basis.

Among women with only one child, higher rates of failures in child care arrangements are also noted among women with 1 or more years of college than among women with less than a high school education, and among women with monthly family incomes between \$2,500 and \$3,749 per month (about \$30,000-\$45,000 per year) than among women in families with monthly incomes between \$1,250 and \$2,499 (approximately \$15,000-\$30,000 per year).

COST OF CHILD CARE ARRANGEMENTS

Overview. Weekly expenses for child care arrangements shown in this report refer to all of the children under 15 years of age of employed women.⁸ The question on child care expenses was asked of women if any of their three youngest children under age 15 were cared for by a grandparent or other relative, a nonrelative, or if any children were placed in day/group care centers or in nursery/preschools. Excluded were women

⁷Current Population Reports, Series P-70, No. 9, *op. cit.*, table 2.

⁸Costs were also asked of women enrolled in school and male guardians of children. The amounts for these groups are very small relative to the total expenses for child care by families where the mother is employed.

Table F. Employed Women Losing Time from Work During the Last Month Because of Failures in Child Care Arrangements: Fall 1987

(Numbers in thousands)

| Characteristic | All mothers | | Mothers with one child | |
|--|------------------------------|---------------------|------------------------------|---------------------|
| | Number employed ¹ | Percent losing time | Number employed ¹ | Percent losing time |
| Total | 8,957 | 7.0 | 2,994 | 5.9 |
| Marital status: | | | | |
| Married, spouse present | 6,426 | 7.3 | 2,097 | 6.1 |
| All other marital statuses ² | 2,531 | 6.2 | 897 | 5.6 |
| Age of youngest child: | | | | |
| Less than 1 year | 1,097 | 7.0 | 410 | 7.4 |
| 1 and 2 years | 2,782 | 10.3 | 1,227 | 8.4 |
| 3 and 4 years | 2,305 | 6.0 | 910 | 4.2 |
| 5 to 14 years | 2,772 | 4.6 | 446 | 1.3 |
| Place of primary care: | | | | |
| In child's home | (X) | (X) | 483 | 4.8 |
| In another home | (X) | (X) | 1,492 | 7.9 |
| Day/groups care center | (X) | (X) | 782 | 2.6 |
| Nursery school/preschool | (X) | (X) | 237 | 6.8 |
| Employment status: | | | | |
| Full time | 6,578 | 6.5 | 2,259 | 6.2 |
| Part time | 2,379 | 8.4 | 735 | 5.2 |
| Occupation: | | | | |
| Managerial-professional | 2,321 | 7.9 | 694 | 7.0 |
| Technical, sales, and administrative support | 3,881 | 6.8 | 1,437 | 5.9 |
| Service workers | 1,479 | 5.7 | 505 | 5.0 |
| Operators, fabricators, and laborers | 943 | 6.9 | 260 | 7.0 |
| Educational attainment: | | | | |
| Less than high school | 1,098 | 4.1 | 387 | 2.7 |
| High school | 3,657 | 6.4 | 1,154 | 5.5 |
| College, 1 or more years | 4,202 | 8.3 | 1,453 | 7.1 |
| Monthly family income: | | | | |
| Less than \$1,250 | 1,357 | 5.6 | 481 | 4.6 |
| \$1,250 to \$2,499 | 2,835 | 6.2 | 891 | 3.5 |
| \$2,500 to \$3,749 | 2,448 | 9.4 | 853 | 8.3 |
| \$3,750 and over | 2,317 | 6.4 | 768 | 6.9 |
| Poverty level: | | | | |
| Below poverty level | 697 | 6.6 | 199 | (B) |
| Near poverty level ³ | 427 | 5.4 | 86 | (B) |
| Not poor ⁴ | 7,832 | 7.1 | 2,710 | 6.0 |

X Not applicable.

B Base less than 75,000.

¹Universe consists of employed mothers who used any of the following arrangements for any of their three youngest children under 15 years of age: care by a grandparent or other relative (excluding their child's parents or siblings), a nonrelative, a day/group care center or nursery/preschool.

²Includes married, husband absent (including separated), widowed, divorced, and never-married women.

³100 up to 125 percent poverty level.

⁴125 percent and over of poverty level.

who used only family members (i.e., child's father or siblings) or only kindergartens/grade schools, or if the child cared for himself or herself. Therefore, cash transfers to family members or payments for schooling were not included in child care costs.

Of the 18.5 million employed women with children under 15 years old in fall 1987, 33 percent (6.2 million) reported that they made a cash payment for child care services for at least one of their children (table 7-B). Average child care costs of \$49 per week per family were paid by the families of 6.2 million employed women

who reported such payments, amounting to an estimated annual expenditure of 15.5 billion dollars. The average monthly family income of women who paid for child care services was about \$3,200. These payments represented 7 percent of their income.

Child care costs estimated from three SIPP surveys conducted in winter 1984-85, fall 1986, and fall 1987 are shown in table G. Since the first survey in winter 1984-85, child care costs have increased by \$8.2 per week. However, \$3.6 of this increase was the result of inflation.

Table G. Weekly Cost of Child Care: Selected Periods, 1984-87

| Period | Current dollars | | Constant 1987 dollars | |
|----------------------|-----------------|----------------|-----------------------|----------------|
| | Mean | Standard error | Mean | Standard error |
| Fall 1987 | \$48.5 | 1.8 | \$48.5 | 1.8 |
| Fall 1986 | \$44.3 | 1.4 | \$46.3 | 1.5 |
| Winter 1984-85 | \$40.3 | 1.1 | \$43.9 | 1.2 |

Note: Constant dollars were derived using the consumer price index for all urban consumers for the specified periods. Consumer price indices are from the Monthly Labor Review, the June issues of 1986, 1987, and 1988, table 30 of each issue.

Age of children. Differences in weekly child care costs are shown in table 7B for women with selected characteristics for fall 1987. A higher percentage (between 53 and 59 percent) of women with preschool age children (under 5 years old) made cash payments for the care of their children than did women whose youngest child was 5 years old and over (16 percent). Women with preschoolers also paid more per week (\$51 to \$58) and spent a higher proportion of their monthly family income on child care (7 to 8 percent) than did their counterparts with older children (\$35 per week for child care expenses and 4.5 percent of family income on child care).

Among women with children less than 5 years old, those with two or more children paid an average of \$22 more per week for child care than did women who had

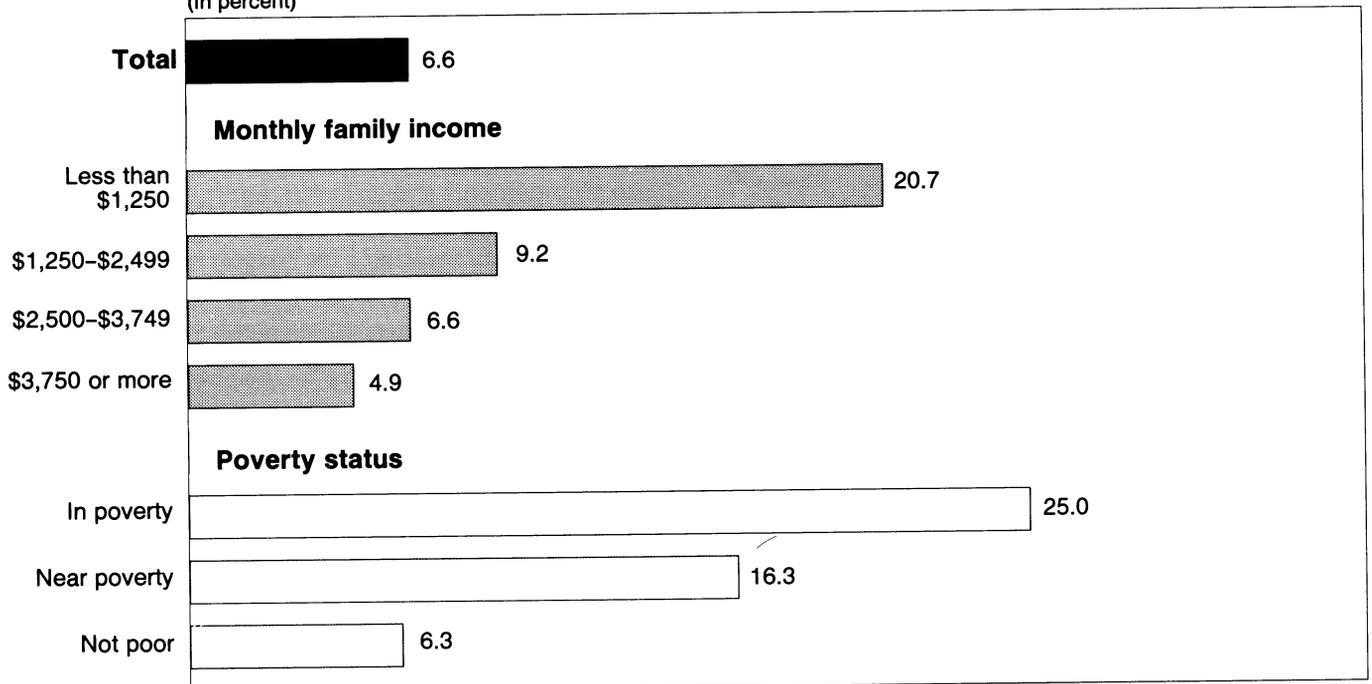
only one child under 5. Families with more than one preschool-age child also spent a larger portion of their monthly family income on child care (10 percent) than did families with only one child under 5 in the household (7 percent).

Poverty and income status. About 8 percent of employed women (1.4 million) with children under 15 years old were living in poverty in fall 1987 (table 7B). About one-fourth of them reported making a cash payment for child care services, compared with one-third of women classified as not poor. Women in poverty paid an average of \$35 per week while women who were living in households that were not poor paid an average of \$50 per week. However, among women making child care payments, those in poverty spent a considerably higher portion of their monthly family income on child care, 25 percent, compared with 6 percent among women living in families that were not poor (figure 3). The estimated average monthly family income of the women in the survey in the fall of 1987 who were living in poverty and paying for child care was \$610 per month.

Women living in families with low monthly incomes are also spending a major portion of their income on child care. Among women making child care payments, those in families whose monthly income was less than \$1,250 per month spent 21 percent of their income on child care (table 7B). At the other end of the income scale (\$3,750 and over per month), only 5 percent of

Figure 3. Monthly Family Income Spent on Child Care, by Income and Poverty Status: Fall 1987

(In percent)



Source: Table 7B

family income was spent on child care services. These disparities in child care expenditures illustrate the concerns that Congress has recently debated over legislation related to taxpayer and family assistance for child care.⁹

Regional differences. Table 7B shows that child care costs were about \$14 per week higher in the Northeast (\$57) than in the South (\$43). (As shown in table 7A, this pattern was also found in the fall of 1986). Monthly family income in the Northeast in fall 1987 for families making child care payments was about \$3,510 per month compared to \$2,821 per month for families in the South. Despite these income differences, families in both regions reported that child care expenditures made up about 7 percent of their monthly family income.

Comparison of SIPP and Internal Revenue Service estimates. The Internal Revenue Service (IRS) in 1986 and 1987 approved child care costs as tax credits for dependent children under 15 years of age of taxpayers while they were working. Qualifying expenses included those services performed within the home by nondependent babysitters, maids, or cooks. Expenditures for child care related services outside of the child's home also qualified for the child care credit.

The maximum amount of these expenses to which the credit could be applied was the lesser of earned income or \$2,400 for one qualifying child and the lesser of earned income or \$4,800 for more than one child. The credit varied between 30 percent of these expenses for taxpayers with a adjusted gross income of \$10,000 or less and 20 percent for taxpayers with an adjusted gross income of \$28,000 or more. The amount of the credit which could be claimed was limited to income tax before credits—any excess was not refundable.

The latest available information for tax year 1986 from the IRS indicates that 3.4 billion dollars of tax credits were filed on 8.9 million individual tax returns.¹⁰ Comparative data from the SIPP for fall 1986 show that 5.7 million women who were employed at the time of the

survey and who had at least one child under 15 years old paid an estimated 13.2 billion dollars for child care arrangements in 1986 (table 7A). If one were to assume that the IRS tax credits represented about 25 percent of the actual child care costs made by taxpayers, then approximately 13.6 billion dollars of child care expenditures would be estimated to have been spent in tax year 1986.¹¹

The estimated number of persons paying for child care derived from the SIPP is smaller than the estimated number reported by the IRS. SIPP estimates shown in table 7A for 1986 only include women who were working during the survey reference period, while the IRS estimates for 1986 were based on all taxpayer claims (including those of male guardians) for dependent child care credits by parents who may have worked, been enrolled in school, or were looking for a job at any time during the calendar year. If the SIPP estimates are adjusted to include data for women enrolled in school and for male guardians employed or enrolled in school and paying for child care, an additional 233,000 persons would be added to the SIPP estimate for 1986. This would increase annual child care expenditures estimated from the SIPP from 13.2 to 13.7 billion dollars.

NOTE ON ESTIMATES

Estimates of primary and secondary child care arrangements shown in this report are based on respondents' answers to the question of what their child was usually doing during the time that they were at work or enrolled in school. The estimates of the number of children being left unsupervised by an adult during this period may be underestimated by those respondents who perceive that leaving the child unattended may be interpreted as a undesirable response. In some cases, parents—out of concern for their child's safety—may be unwilling to reveal their child's whereabouts when asked about this subject. The misreporting of any specific child care arrangement may affect the overall distribution of child care arrangements shown in this report. In all cases, the interviewer accepted the respondent's answers and did not question the validity of the response.

⁹Committee on Finance, U.S. Senate, "Federal Role in Child Care," Hearing Before the Committee on Finance, United States Senate, September 22, 1988. U.S. Government Printing Office: Washington, DC, 1989.

¹⁰ Internal Revenue Service, "Individual Income Tax Returns," Statistics of the Income Division of the Internal Revenue Service, Publication No. 1304, (Revision of July, 1989), table 1.4.

¹¹ The IRS allows taxpayers to claim between 20 and 30 percent of child care costs spent. If one-quarter of costs were claimed, then the 3.4 billion dollars in claims for 1986 multiplied by 4 would yield 13.6 billion dollars in expenditures.