

Child Care Subsidy Use and the Relationship to Parental Work and Child Care Quality in Rural Communities

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Project Description.

The purpose of this project, funded by the Administration for Children and Families, is to understand how low-income rural families use child care subsidies, the quality of care they receive, and how subsidy use is related to child outcomes and parental work conditions. The project addresses these topics with data from the Family Life Project, described below. With a more thorough understanding of these issues, researchers will be better able to tailor outreach, develop quality improvement efforts, and craft policies responsive to rural realities.

Research questions.

1. What percentage of rural families who are income-eligible for subsidies and use child care take up subsidies, and do the arrangements they make differ from (a) economically disadvantaged families who do not use subsidies; (b) economically advantaged families using child care?
2. How do the work conditions of families who take-up child care subsidies differ from those who do not? Specifically, is job quality higher and more stable (e.g. more flexible, fewer turnovers, provide benefits, higher wages, more stable work hours)?
3. Is context, as measured by neighborhood disadvantage and geographic isolation, related to subsidy take-up?
4. Do children whose families take up child care subsidies have better child care experiences (more consistent, higher quality, fewer caregivers)?
5. What is the relationship of subsidy use to child outcomes?

Sample. We use data from the longitudinal Family Life Project, a representative sample of predominantly low-income, nonmetropolitan families in North Carolina and Pennsylvania (n=1292), oversampled for African American and low-income families. Data was collected when the children were 6, 15, 24, and 35 months old. Extensive data was collected including demographics, economic well-being, and information about maternal work experiences.

Methods. A brief description of the methods follow:

- The HOME Inventory was used to assess child care quality, designed to measure the quality and quantity of stimulation and support available in the child care environment (Bradley & Caldwell, 1988; De Marco et al., 2009).
- Neighborhood measures: geographic isolation, collective socialization, and safety.
- Bivariate and multivariate regression analyses were conducted to examine relationships.
- Regression and SEM models were used to analyze the relationships between subsidy use, child care quality, maternal work conditions, and job quality.
- Inverse Probability Weighting (IPW) and regression analysis to examine the relationship between subsidy use and child outcomes

Progress Update.

Findings. Approximately 70% of the FLP sample was income-eligible at each time point with 23-33% taking-up subsidies. Across time, compared to income-eligible/non-using families, subsidized children received higher quality care. Subsidy families were more likely to select center-based care, typically of higher quality. These families were also

more likely to receive higher quality care, regardless of the type chosen, accounting for a host of family and community factors. In OLS regression subsidy use was consistently and largely significantly positively associated with quality of care across time (trend-level at 36 months).

In terms of maternal work, in bivariate analysis, compared to the income-eligible who did not use subsidies, families who were income-eligible and using subsidies were more likely to be employed and worked more jobs at all time points, at 24 months they worked more hours, received higher pay, and reported lower job satisfaction, and at 35 months their jobs were less self-directed. In regression analysis, subsidy use predicted workplace flexibility, such that at 24 months, those receiving subsidies had more flexible workplaces. We used SEM to examine how subsidy use at 24 months was related to maternal job quality (defined by standard shift, flexibility, benefits, job satisfaction, and wages) at 35 months with the FLP full sample. Results indicated that subsidy users had lower job quality. When running the model with only the income-eligible subsample, subsidy use was not related to job quality, most likely because there is much less variance in work characteristics among these low-income families.

In terms of neighborhood context, subsidies users were less geographically isolated than those who are also eligible but didn't take up subsidies across time points. Subsidy users resided in safer neighborhoods at 6 months. Collective socialization was lower for subsidy users (among eligible) at both periods when this data was collected (24 & 36 months). At all time points subsidy users tended to live in poorer neighborhoods. In regression models, geographic isolation, safety, and collective socialization were related to subsidy take-up, but not once individual demographic characteristics are accounted for, except at 35 months, when more trust and safety was related to less subsidy take-up.

In the model predicting SDQ total score at 48 months, subsidy use was positively related to SDQ, with higher scores indicating increased problem behavior.

However, once SDQ scores at 36 months were adjusted for, subsidy use was no longer significantly related to SDQ. Subsidy use was negatively related to 36-month PLS scores at a trend level ($p = .08$). However, when performance at 24 months was accounted for, subsidy use was no longer a significant predictor of children's language skills.

Implications for policy/practice

Findings suggest that subsidy programs have successfully moved rural, low-income children into higher quality care beneficial for development. These findings point to the need to maintain subsidy programs and encourage eligible families to take advantage of such resources. Further, subsidies are a crucial support for employment among the working poor, yet few were receiving the services for which they were income-eligible in the FLP. We have provided evidence that the use of subsidies is beneficial to the work experiences of poor, rural mothers who are able to work more hours and earn higher incomes than their counterparts who do not take up subsidies. However, their work experiences continue to be challenging, characterized by lower job satisfaction and low levels of self-direction. Outreach is needed to improve subsidy take-up rates, whereas initiatives are needed to improve the skills and job quality of low-income workers in rural settings.

Implications for research

Most existing research about children living in poverty is based on studies of urban children. However, there is significant poverty in the rural US. This project comes from a larger study that is one of the few to provide this level of detail about the child care subsidy use of understudied rural families in the United States.

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