

RAISING A FAMILY

**THE STATE OF
YOUNG AMERICA**

RAISING A FAMILY

Most young adults still start families before age 35,¹ but they face a much different set of challenges than their parents did a generation ago. Family structures now vary widely; high divorce rates and babies born outside of marriage mean that many children grow up without a traditional two-parent, single-earner household. Young people also start families later in life than their parents did. Today the average woman bears her first child at the age of 25, up from 21 in 1970.² At the same time, the economic challenges associated with parenting have grown substantially.

FINDINGS AT A GLANCE

A CHANGING FAMILY

- STARTING FAMILIES LATER
- MORE WORKING MOMS
- FAMILY WORKLOAD CHANGING
- NO PAID PARENTAL LEAVE

CHILD CARE: COSTS AND ARRANGEMENTS

- INCREASE IN ALTERNATE FORMS OF CARE
- ALTERNATE ARRANGEMENTS

The stagnant earnings described earlier leave young families in worse shape to deal with the rising costs they face. Many are still paying off student loan debt, juggling mortgages or rents that absorb a larger percentage of their income, and are often paying for costly child care as well. Combined with the drop in income many families experience during the initial months after the birth of a child, these costs can create serious financial burdens for new parents. More than one in three young families lived in poverty in 2010, the highest share on record.³

As women joined the workforce, families partially offset rising costs and men's falling wages, but they now must juggle complex and costly child care arrangements. Paying for someone to watch the kids is one of the biggest expenses in a young family's household budget, often second only to housing. The price of child care is rising faster than inflation, with average monthly fees for two children exceeding median rent in every state. Because of these high costs, professional child care is unaffordable for many families, and only a fraction of families with working mothers put their children in paid care. Families are increasingly turning to extended family—grandparents and other relatives—and ad-hoc arrangements to care for their children while they're at work.

Single parents, mainly single moms, have a particularly tough time. Without the benefit of a second income they often have trouble making ends meet. Limited subsidies are available to help lower-income parents pay for child care.

Aside from struggling to afford child care, the need to earn two incomes means parents have a hard time simply spending time with their children. Unlike 169 other countries in the world, the United States does not guarantee any amount of paid leave to new parents, leaving it in the company of just three other nations:

Liberia, Papua New Guinea, and Swaziland.⁴ Only three states and few companies offer paid family leave, and as a result, just 11 percent of U.S. workers have access to paid family leave at work. And many workers, particularly low-wage ones, have little or no paid time off to begin with. They are forced to take unpaid time off, time they can scarcely afford. Or they could do what a quarter of new mothers do, and quit their jobs.⁵

The economic challenges facing young Americans not only make it difficult to make ends meet today, but impede their ability to raise the next generation.

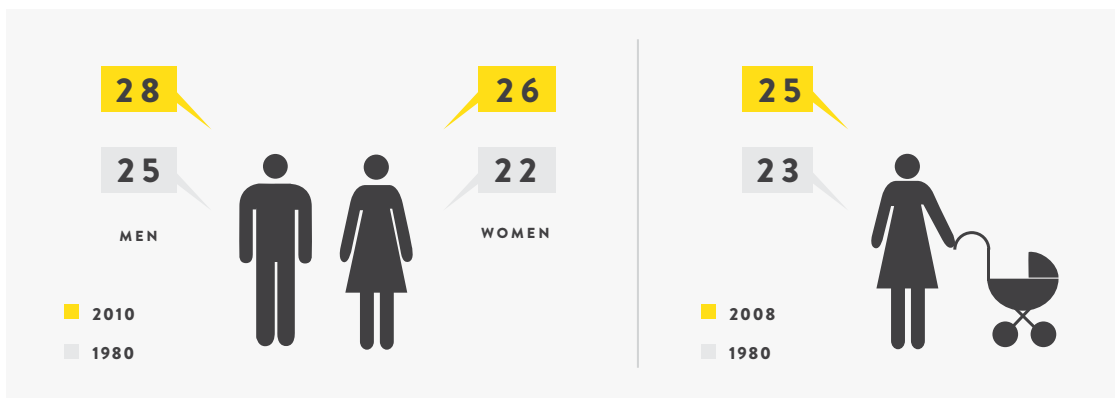
A CHANGING FAMILY

STARTING FAMILIES LATER

Both men and women are waiting longer to marry, and women are having their first child later as well.

- The average age at which American males first marry reached a historic high of 28.2 in 2010, an increase of 3.5 years over the past three decades. Women are marrying later as well; their first marriage occurred on average at 26.1 years old in 2010, up 4.1 years from 1980 (Figure 5.1).
- The average age that women have their first child has also increased. The most recent estimate of 25.1 years old in 2008 represents a 2.4-year rise from the average of 22.7 years old in 1980 (Figure 5.1).

figure 5.1 | AVERAGE AGE OF FIRST MARRIAGE AND CHILDBIRTH*, 1980 AND 2010



* First childbirth data not available for men.

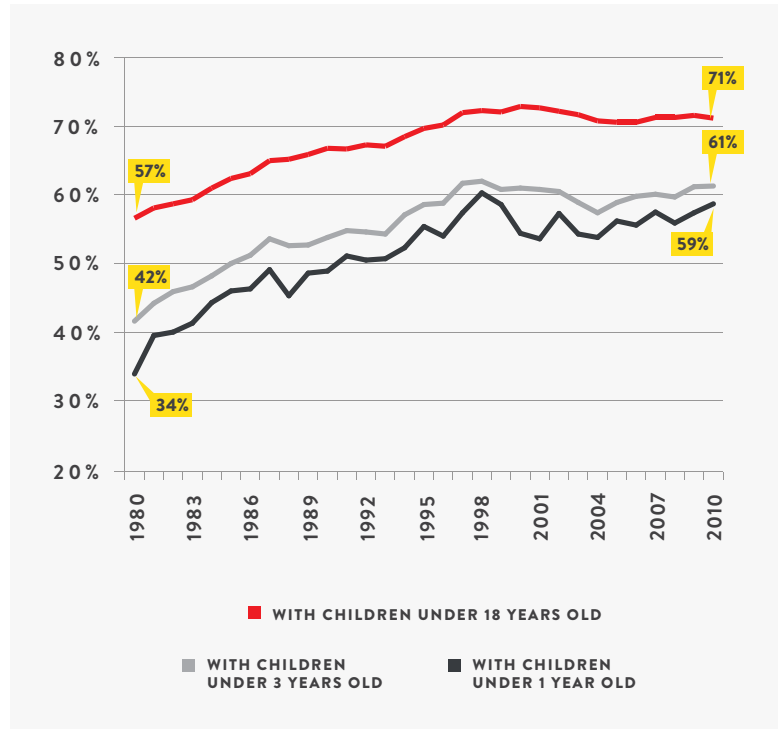
SOURCE: 1. U.S. Census Bureau, Current Population Survey, March and Annual Social and Economic Supplements, 2010 and earlier. Table MS-2: <http://www.census.gov/population/www/socdemo/hh-fam.html> 2. T.J. Mathews and Brady Hamilton, "Delayed Childbearing: More Women Are Having Their First Child Later in Life", NCHS Data Brief No. 21, August 2009 [Machine-readable database]. Minneapolis: University of Minnesota, 2010

MORE WORKING MOMS

As young mothers entered the labor force in vast numbers over the past generation, parents simply cannot afford to take time off to care for and bond with their children.

- Overall, women with children participate in the labor force at around the same rate as all women: in 2010, 71.2 percent of women with children under 18 were in the labor force (Figure 5.2), compared to 75.2 percent of all women ages 25 to 54.⁶
- The labor force participation rate of women with children rose rapidly, from 56.6 percent in 1980—a 25 percent increase in one generation (Figure 5.2).
- Women with young children have joined the workforce at the highest rates. Just 33.9 percent of women with children less than one year old were part of the labor force in 1980. Their 58.7 percent participation rate in 2010 represents a 73.2 percent rise over the past 30 years (Figure 5.2).
- Women with children under 3 joined the labor force at a similar pace and pattern, rising from a 41.6 percent participation rate in 1980 to 61.3 percent in 2010 (Figure 5.2).

figure 5.2 | LABOR FORCE PARTICIPATION RATE OF MOTHERS, 1980-2010



SOURCE: Dēmos Analysis of Current Population Survey Annual Social and Economic Supplement

FAMILY WORKLOAD CHANGING

As more mothers enter the workforce, the way that parents spend their time is changing. Mothers are working much more and spending much less time on housework than they were a generation ago, and fathers are working slightly less while spending more time both on housework and with their children.

- Mothers of young children spend, on average, 22 hours a week working for pay, over 7 hours more per week than they spent in 1975. These 7 hours mirror the average reduction in the hours mothers spend on housework per week, which has fallen to 16.5 hours per week in 2010 (Figure 5.3).
- Fathers spend, on average, 5.5 hours less at their jobs than they did in 1975, but spend 6 more hours per week on housework and child care combined (Figure 5.3).

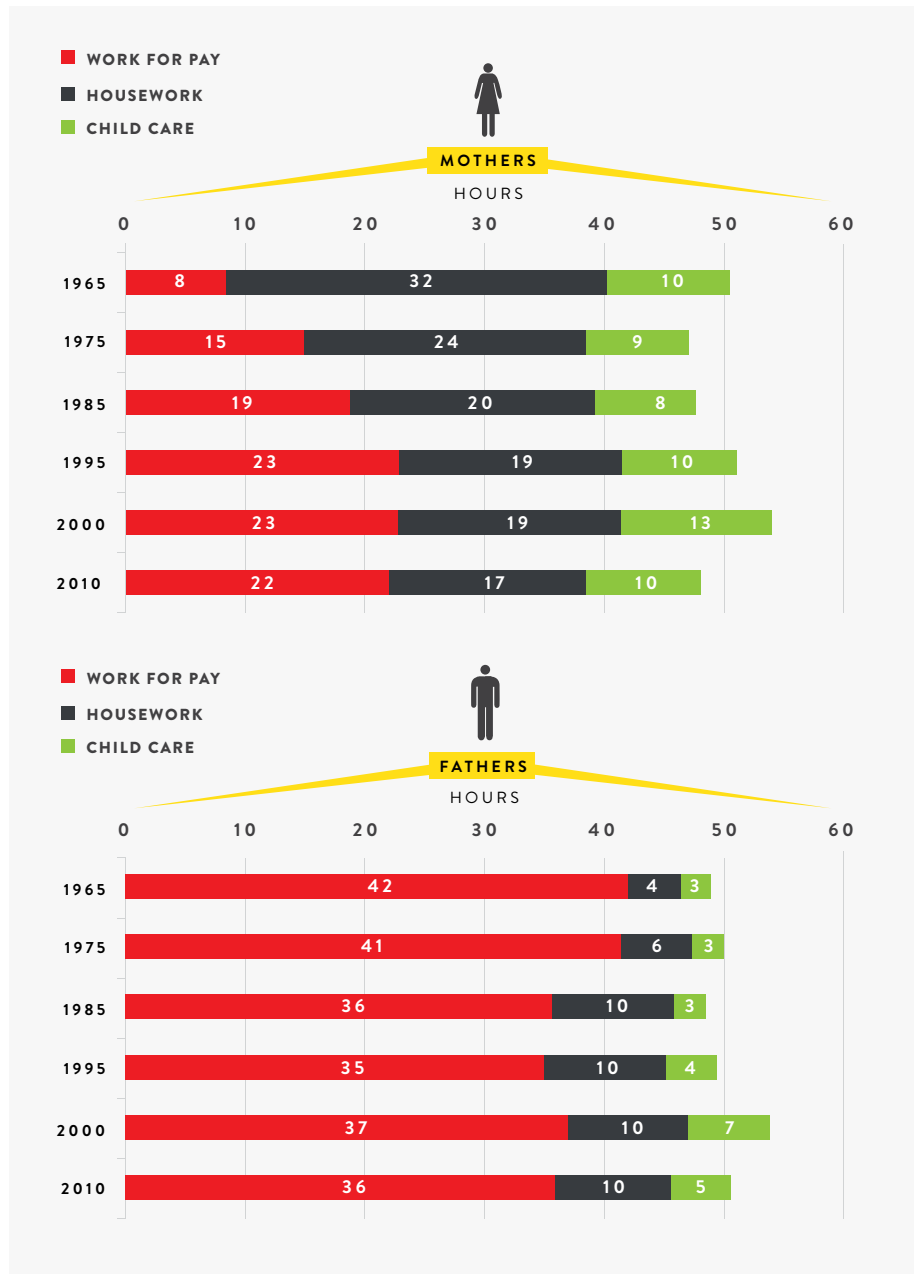
- Though the household division of labor is much more equal than it was a generation ago, mothers still spend more time on child care and housework than fathers, and fathers still spend more time at paid work than mothers (Figure 5.3).
- Overall, mothers' and fathers' "family workload"—the total amount of time spent working for pay, doing housework, and taking care of children—has changed little over the past 35 years, hovering around 50 hours a week for both women and men (Figure 5.3).

NO PAID PARENTAL LEAVE

Very few new parents have access to paid parental leave, and many have no access to paid leave of any kind, leaving young families with few options when they look to start or expand their family.

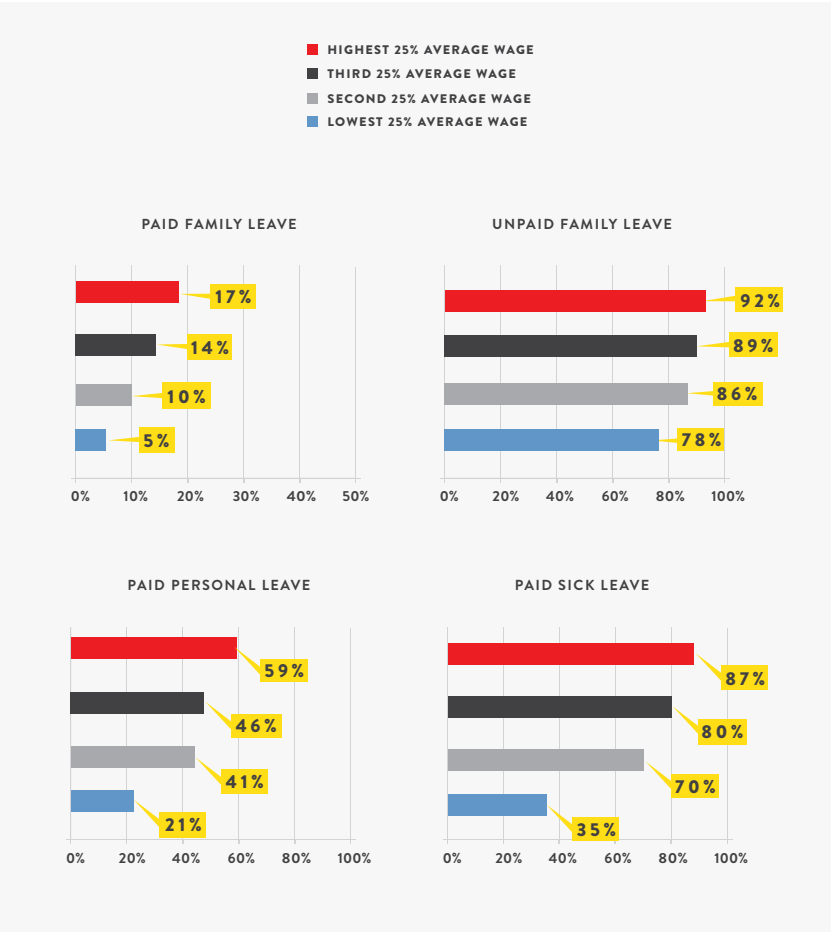
- Just 11 percent of all workers had access to paid family leave benefits in 2010, while 74 percent of workers had access to paid vacation days (Figure 5.4).
- 78 percent of workers in the bottom quarter of earners had access to unpaid family leave, compared to 92 percent in the top quarter (Figure 5.4).
- Access to benefits varied widely by income level. Only 5 percent of workers in the bottom quarter of earners had access to paid family leave, while 17 percent of workers in the top quarter of earners did (Figure 5.4).

figure 5.3 | MOTHERS' AND FATHERS' TIME USE PER WEEK, SELECTED ACTIVITIES, 1965-2010



SOURCE: "The Changing Rhythms of American Family Life", Bianchi et. Al. Russell Sage Foundation 2007 (1965-2000) and the American Time Use Survey, Bureau of Labor Statistics, <http://www.bls.gov/tus/> (2010)

figure 5.4 | SHARE OF WORKERS WITH ACCESS TO LEAVE BENEFITS, BY WAGE, 2010



SOURCE: Bureau of Labor Statistics, Employee Benefits Survey, Table 32, "Leave Benefits: Access, Civilian Workers"

- Just 35 percent of workers in the bottom quarter of earners had access to paid sick leave, while 87 percent of workers in the top quarter did (Figure 5.4). Overall, just 67 percent of workers had access to paid sick leave.
- Lack of access to leave of any sort was one of the primary reasons that, as of 2003—the most recent data available—25.3 percent of expecting or recent mothers quit their jobs.⁷
- In the early 2000s, 55 percent of all mothers returned to work within six months after their child was born, and 64 percent returned within a year; a generation ago, in the early 1960s, only 14 and 17 percent, respectively, of women returned to work in the same time frames.⁸ This change reflects a labor force more accepting of women in the workplace, but also the economic reality that young families often cannot afford to have a mother or father spend more time at home with a newborn.

SEAN AND MELISSA'S STORY

AGES 25, 26 | MASSILLON, OH



For Sean and his fiancée Melissa, financial constraints have meant that family life hasn't been easy. Sean usually works 2 jobs, and is on the clock 5 days a week from 7:30

am to 10:00 pm, while Melissa stays at home with their 5 month-old. Going back to work isn't an option for Melissa, because the \$8/hour wage at her old job would only partially cover the cost of daycare. On top of that, Sean would have to quit one of his jobs to pick up and drop off their son.

Their financial constraints are a constant struggle. Melissa is thankful that they qualify for the WIC program, which helps her pay for her son's formula and basic food that they otherwise could not afford. Their family is lucky enough to have health insurance through Sean's job, but they still have difficulty paying their monthly premium.

Melissa and Sean want to get married and have more children, but they don't expect that to happen any time soon. They have no money to save up for a wedding; any extra money they have goes towards paying off \$20,000 of student loans and credit card debt, as well as the \$2,500 hospital bill they now owe after the birth of their son. They expect that their debt will be paid down in 6 years. Until then, their lives are on hold.

"At the end of the day," Sean says, "one of the hardest things for me to accept is that even though my workload has increased, I have nothing to show for it. All the talents I have, all the skills I learned in college are wasted. And yet, to afford to pay my bills, to repay my debt, and to support my new son I can't look for anything else. There's no time for interviews. There's no mobility for me here." •

CHILD CARE: COSTS AND ARRANGEMENTS

INCREASE IN ALTERNATE FORMS OF CARE

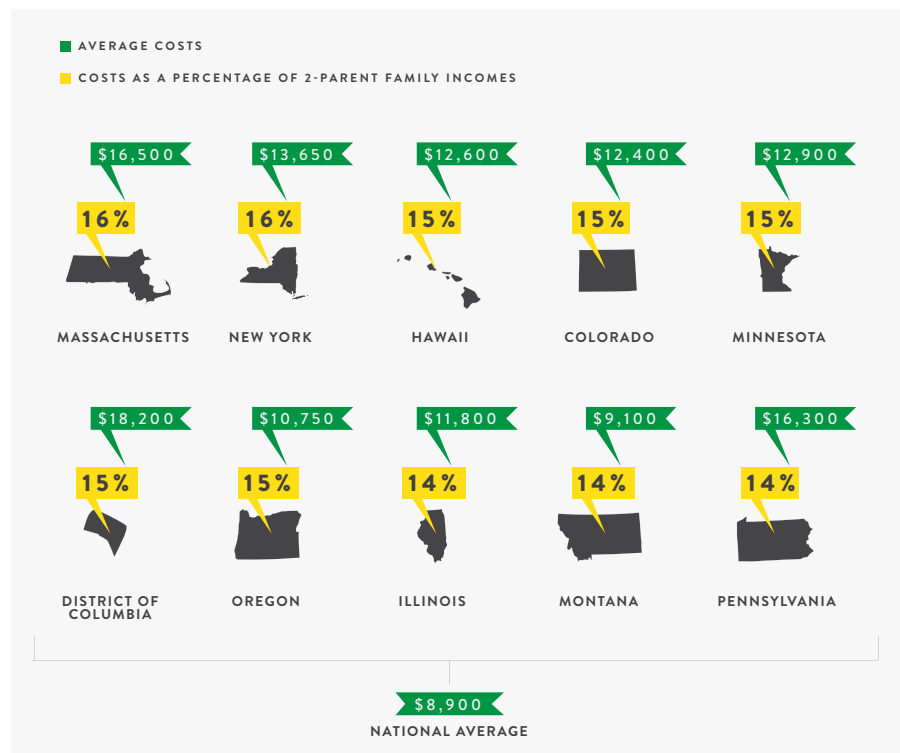
Child care arrangements and costs can pose a huge burden for many families.

- Center-based child care fees for two children (an infant and a 4 year-old) exceeded annual median rent payments in every state.⁹
- The national average for center-based child care costs in 2010 was \$8,900 for full-time care for an infant and \$7,150 for full-time care for a preschooler.¹⁰

- As a percent of state median income for two-parent families, the average annual cost of child care for an infant ranged from a high of 16 percent in Massachusetts to a low of 7.3 percent in Mississippi (Figure 5.5).

- Overall, the price of center-based child care increased by 1.9 percent between 2009 and 2010 alone; while inflation overall for 2009 was negative 0.4 percent.

figure 5.5 | COST OF INFANT CARE, 10 LEAST AFFORDABLE STATES, 2011



SOURCE: National Association of Child Care Resource & Referral Agencies, Child Care in America State Fact Sheets July 2011

“THE LACK OF AFFORDABLE CHILD CARE IN CALIFORNIA IS THE MAIN REASON MY HUSBAND HAD TO QUIT HIS WELL-PAYING FULL-TIME JOB. THE MONTHLY RATE OF \$900 A MONTH PER CHILD FOR EACH OF OUR 4 KIDS EXCEEDED HIS TAKE HOME PAY. WE DECIDED THAT IT DIDN’T MAKE SENSE FOR US BOTH TO WORK.”

- SANTA ROSA, CALIFORNIA

ALTERNATE ARRANGEMENTS

The high cost of care leads many to turn to relatives or ad-hoc child care arrangements, which are particularly common among low-income and minority workers.

- More children have no regular child care arrangement (shown as “Other” in Figure 5.6), rising from less than 1 percent in 1985 to 14.1 percent today.

- More children are being primarily cared for by their fathers and grandparents. Among young children with employed mothers, father care rose from 15.7 percent in 1985 to 18.6 percent in 2010. Grandparent care rose even more, from 15.9 percent to 19.4 percent over the same period (Figure 5.6).

- Child care arrangements also vary widely by income, race, and education. 25.6 percent of children of families above the poverty line were in center-based care in 2010, compared to 15.4 percent of children of families below the poverty line (Figure 5.6).

- The share of children of below-poverty families in center-based care has fallen significantly in the past 22 years, from 21.6 percent in 1988 to 15.4 percent in 2010, as child care costs increasing far faster than family incomes or the poverty level priced many families out of center-based care (Figure 5.6).

- Young children of employed Latino mothers were primarily cared for by relatives—collectively, at 60.7 percent in 2010—more frequently than children of either employed African American or white mothers, of whom 47.6 percent and 44.9 percent, respectively, were cared for by relatives (Figure 5.6).

figure 5.6 | PRIMARY CHILD CARE ARRANGEMENTS FOR CHILDREN UNDER AGE 5 WITH EMPLOYED MOTHERS, SELECTED YEARS 1985–2010



SOURCE: Bureau of Labor Statistics, Employee Benefits Survey, Table 32, “Leave Benefits: Access, Civilian Workers”

ENDNOTES

1. T.J. Mathews and Brady E. Hamilton, “Delayed Childbearing: More Women Are Having Their First Child Later in Life,” National Center for Health Statistics, Data Brief No. 21, (August 2009). <http://www.cdc.gov/nchs/data/databriefs/db21.pdf>.
2. Ibid.
3. Sabrina Tavernise, “2010 Data Show Surge in Poor Young Families,” The New York Times, September 19, 2011. http://www.nytimes.com/2011/09/20/us/poor-young-families-soared-in-10-data-show.html?_r=1&scp=1&sq=2010%20Data%20Show%20Surge%20in%20Poor%20Young%20Families%20new%20york%20times.
4. Alison Earle, Jeffrey Hayes, and Jody Heymann, “The Work, Family, and Equity Index: How Does the United States Measure Up?” McGill University Institute for Health and Social Policy and the Project on Global Working Families (2007). <http://www.mcgill.ca/files/ihsp/WFEI2007.pdf>.
5. US Census Bureau, “Maternity Leave and Employment Patterns of First-Time Mothers,” (2008). <http://www.census.gov/prod/2008pubs/p70-113.pdf>.
6. Bureau of Labor Statistics.
7. Ibid.
8. Ibid.
9. National Association of Child Care Resource and Referral Agencies “Parents and the High Costs of Child Care, 2011 Report” (2011). <http://www.naccrra.org/publications/naccrra-publications/publications/Cost%20Report%202011.pdf>.
10. Ibid.

