

On the Edge: Single Mothers' Employment and Child Care Arrangements for Young Children

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I. Introduction

The cost-shared Canada Assistance Plan (C.A.P.) is the chief source of child care assistance for single parents in Canada; estimates (Cleveland, 1987; D.P.A. Group Inc., 1988) indicate that about 70% of provincial/territorial child care subsidies to low income families go to single parent families. It is somewhat surprising, therefore, that there has been virtually no empirical assessment by academics of whether these child care subsidies are doing the job they were designed to do. Since the recent establishment of block funding through the Canada Health and Social Transfer has now made future cuts in this funding more likely, it is timely to begin this process; this paper makes a modest start.

There are two chief objectives of child care funding directed at single parent families: to give children a good quality early childhood education, and to provide encouragement for single mothers in particular to enter or stay in the paid labour force and avoid continuing dependence on social assistance. To coin a phrase, we might say that many single parent families are believed to be "on the edge" of longer term poverty and dependence; strong developmental experiences for the children, and the opportunity to maintain labour force attachment for the single parent may prevent a fall over the edge. Recent evidence from the United States (Currie & Thomas, 1995) confirms earlier evidence from the Perry Preschool Program (Barnett, 1985a, 1985b, 1992) and elsewhere (Hayes, Palmer, & Zaslow, 1990; Ramey & Campbell, 1991) that early childhood programs are effective and have a long run payoff. This paper presents Canadian evidence about the ability of child care subsidization to achieve the second objective -- maintaining paid labour force attachment -- for single mothers with at least one

preschool child (less than 6 years old). We provide evidence about the social and economic situation of these single mothers and about their child care and employment decisions.

In an international review, entitled *Lone Parent Families: The Economic Challenge*, Elizabeth Duskin, from the O.E.C.D. Secretariat, distinguishes the expected effects of child care policy on two groups of lone parent families.:

For those who enter lone-parenthood with existing skills and experience that enable them to compete successfully in the labour market, the issue is the retention and continuing improvement of their competitive edge. For this group, the availability of appropriate and affordable child care may be the primary supporting policy required.

There are, however, those who come to lone-parenthood with existing disadvantages: low educational attainment, few, if any, skills, and little, or no, relevant work experience. For this group, lone-parenthood exacerbates an existing problem, but does not, by itself, create it. This group represents the core among lone parents of the long-term disadvantaged, those who are less likely to attain self-sufficiency through their own efforts and are also less likely to marry or remarry. Working as a way of meeting the responsibilities associated with children, financial or otherwise, takes on different dimensions for them. Affordable child care may be a necessary condition, but it is hardly sufficient in the absence of employment-related skills and experience.

Consequently, an investment in improving their "human capital" - and the time and income necessary to do it - may be necessary (O.E.C.D., 1990, p. 21).

There are two implications of this quotation that are relevant to our inquiry. First, at least in the capitalist countries represented in the O.E.C.D., the economic and social conditions of lone parent families with young children put them "on the edge" and policies towards child care may strongly influence the characteristics of the future they will construct for their families. Second, for single parents who have multiple employment-related disadvantages, the availability of affordable child care is usually insufficient on its own to encourage labour force attachment.

The paper is structured as follows. In the next section, we review some insights from literature on single parents and child care. In Section III, we present a brief economic and social profile of single mothers with young children in Canada, using data from the 1988 Canadian National Child Care Survey (CNCCS). In Section IV, we review further evidence from this survey on the types of child care used by single mothers of preschool children and the amounts paid for this care. Section V presents evidence that the economic decisions of lone mothers with young children are indeed very sensitive to high child care costs, much more so than other families with preschool children. Section VI draws together conclusions from the evidence presented which are relevant to an assessment of child care subsidization under C.A.P.

II. Current Perspectives on Lone Motherhood and Child Care

Lone parent families have increased dramatically as a proportion of all families with children in Canada. In 1961, families with a sole parent formed 11% of all families; in 1981, lone parent families represented 17% of all families with children; by 1991, this proportion had risen to 20% (Lero & Johnson, 1994). Crompton (1994) notes that the number of lone parent mothers with children less than 6 years of age has more than doubled since 1976, from 96,000 to 228,000 by 1993. Further, lone mothers are now a much larger percentage of all families with preschool children - 6% in 1976 and 14% in 1993. Crompton reports that single parent

mothers with preschool children are quite likely to be never-married; about one-quarter of lone mothers with children less than 6 years were never-married in 1976 and this proportion has now doubled to one-half.

A perspective on lone parent families which may be important to consider in drafting policy does not appear in this paper because of the cross-sectional nature of the data from which it is drawn. The longitudinal evidence we have about lone parenthood suggests that it is a transitional family state for many (see Eichler, 1993). Data from the Family History Survey in 1984 (Lindsay, 1992) is one of few Canadian sources of much of this perspective. On average, at the time of this retrospective survey, lone parent families were found to have endured for 5.5 years (this includes spells of lone parenthood that are not yet completed). The likely duration of lone parenthood varies according to the marital status of the single parent (i.e., never married or separated/divorced or widowed). At the time of the Family History Survey, 83% of those who had ever been a never-married lone parent had left this family type, nearly all of them by marriage (children growing up is the other main avenue of departure). On the other hand, only 57% of those who ever were a divorced or separated single parent had left this status, about 3/4 by marriage.

There is a small international literature by economists on the effects of child care costs on the decisions of single mothers to be in the labour force or to receive social assistance. Robins (1988) studies the effect of having an on-site child care centre on various measures of self-sufficiency amongst residents of public housing projects in the United States. The size of the child care centre is found to have significant and strong effects on hours of work, earnings and the likelihood of being on welfare, in expected directions. These effects are particularly strong for families with children less than five years of age.

Connelly (1990) estimates that cutting child care costs in half would reduce participation in AFDC (welfare) from 20% to 13%. She concludes that "almost the entire effect of young children on increasing AFDC recipiency and decreasing labour force participation is the result of increased child care expenditures faced by these women and not the result

of differences in the preferences of women with young children to work at home...." (p. 19).

Berger and Black's (1992) study is particularly valuable because it compares the labour force behaviour of single parents currently receiving day care subsidy in Kentucky with a control group, while addressing various biases due to self-selection. They find that a full subsidy increases the probability of labour force participation by 25%; in addition, the use of licensed subsidized care is found to increase dramatically parental satisfaction with child care arrangements.

Two British studies confirm the importance of child care for single parents. Dilnot and Duncan (1992) find that the availability of either formal or informal child care are strongly related to increased labour market participation. Jenkins (1992) finds that child care costs have significant negative effects on work and on full-time work. His study emphasizes the importance of other influences on the work decision as well; for instance, ethnic differences, health status, religious affiliation, the availability of jobs locally, education, work experience and wages are all significant. In particular, regularity of maintenance payments is found to encourage full-time work by single mothers, and never-married status strongly discourages work or full-time work.

Kimmel (1994b, 1995), controlling for the endogeneity of the decision to participate in AFDC, finds that child care costs have a significant negative effect on the decision to work, and that this effect is quantitatively important. For instance, she finds (1995) that, for white single mothers, a 50% child care subsidy increases the probability of employment from 30% to 50%. In work in progress, based on the 1988 CNCCS, Cleveland and Hyatt (1995a, 1995b) similarly find that child care costs have significant negative effects on the single mother's work decision.

III. A Statistical Profile of Single Mothers with Young Children in Canada

In this section, we provide new evidence on some of the main characteristics of lone mothers with preschool children. Our data is from the 1988 Canadian National Child Care Survey (CNCCS) collected by Statistics Canada. This survey is a very

large (24,155 families) nation-wide sample, collected as a supplement to the Labour Force Survey in the fall of 1988. When results from this data are adjusted using sample weights, they provide estimates which represent the behaviour and attitudes of 2,724,300 Canadian families having children under 13 years of age. The CNCCS provides a rich source of data on child care, income and employment characteristics of families; because the sample is so large, it permits us to examine single parent mothers with preschool children and still have confidence in the estimates provided¹.

The sub-sample used for this paper refers only to single mother families in which the youngest child is a preschooler (that is, less than 6 years of age and not yet in Grade 1). In addition, families whose child care situation or work situation is temporarily atypical are excluded from the sample. As a result, families were excluded who declared that their child care arrangements in the survey's reference week were "unusual", and in which the mother is currently on maternity or parental leave or is sick, on holiday, on strike, or for some other reason has a job but is not at the job in the reference week. The final² sub-sample, after weighting, represents 147,697 families.

Table 1 provides a summary review of some of the key differences between single and married mother families with preschool children. There are marked differences in the average characteristics of these two types of families. The annual family incomes of single mother families as reported in the CNCCS are typically very low; nearly 60% receive less than \$10,000 and another 27% receive between \$10,000 and \$20,000 from all sources. In contrast, less than 4% of married mother families report receiving less than \$10,000 in annual family income, while another 9% receive between \$10,000 and \$20,000. Accordingly, nearly 80% of single mothers with preschool children would be below Statistics

¹Details of the survey methodology and a copy of survey instruments is available in Statistics Canada (1992).

²The sub-sample also excludes the relatively small number of families in which the mother is not reported to be chiefly responsible for child care decisions, in which the mother cares for her own preschool child while working, and in which the principal type of child care used while the mother works was part-day nursery school or kindergarten.

Canada's Low-Income Cut-Offs, while only about 13% of married mother families would be considered poor by this criterion.

As indicated in Table 1, amongst single mothers with preschool children, 53 percent are never-married. Since, in comparison to divorced and separated lone mothers, never-married mothers typically have fewer job-related skills, and education, are younger, are less likely to be employed, more likely to be poor, and are believed to be at greater risk of welfare dependency, this observation is important³.

Compared to married mothers with preschool children⁴, lone mothers with young children are, in general, younger. While only a small proportion of single mothers are teenagers (5.9%), this is a very much larger proportion than for married mothers (0.8%). Single mothers are over twice as likely to be between 20 and 24 years of age than are married mothers. Still, the majority of both single and married mothers with preschool children are 25 years of age or older. The relative youthfulness of lone mothers is reflected in their education levels; nearly 75% of lone parents with preschool children have high school or less, compared with nearly 60% of married mothers. About half as many lone parents (15.6%) have either a degree or diploma as do married mothers with children of a similar age (32.1%).

This educational background is reflected in measures of the occupation or skill level of lone mother families with young children. About 43% of such lone mothers can be classed as white collar, and about 37% blue collar (mothers do not need to be currently working to be classified in this manner). Corresponding figures for married mothers with preschool children are, in round figures, 61% and 24%. Further, just over one in five lone mothers with young children has either never worked or not

in the last five years, so job-related skills may be non-existent or may have atrophied. Since these lone mothers are the sole potential breadwinner in the family, this is a problem. For married mothers with preschool children (who may have no current necessity to be a breadwinner), about one in six has never worked.

Additional information about apparent skill deficiencies, relative to married mothers, of many lone mothers with preschool children is revealed by data indicating that nearly 17% of lone parents declare that they have professional, managerial, or supervisory skills, whereas 28% of all married mothers have the same skills. About 17% of single parents class themselves as being "skilled", whereas over 23% of married mothers merit a similar designation. At the same time, close to half of lone mothers with young children indicate that they are semi-skilled or unskilled. This compares to about one-third of married mothers with young children who have the same relatively low job-related skill level.

The only employment advantage held by single mothers of preschool children, according to Table 1, is that they have fewer, and somewhat older children. Single mothers are very likely to have only one child (60.7%) and he/she is less likely to be less than two years old (36.8%); the corresponding figures for married mothers are 39.7% and 44.9%.

All of these factors (along with the cost of child care, to be discussed below) affect the employment status of single mothers. The result of all factors combined is that only 35.6% of lone mothers with preschool children are currently employed (this compares to 47.3% of married mothers). A further 9% of lone parent mothers are unemployed (a 20% unemployment rate), a surprisingly large number given the boom conditions of 1988 when the data was collected; this may well be related to the low skill levels of many lone mothers.

Employment is, of course, not a panacea. However, CNCCS data shows that employment tends to be a necessary condition for escaping poverty. The large majority of single mothers with preschool children who are not below Statistics Canada's Low-Income Cut-Offs are currently employed (about 85%). Alas, employment is not a sufficient

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condition, given the low skill level of many single parents; many single mothers who work still have incomes below the poverty level.

IV. What types of child care do employed single mothers use and how much do they pay?

For ease of exposition we define three types of child care -- licensed, informal and nonmarket child care. Licensed care includes both centre care and licensed family home day care, informal care includes unlicensed care by a non-relative, whether inside or outside the child's home, and nonmarket care is defined as care by a relative, whether inside or outside the child's home. The distribution of child care arrangements across these redefined categories is shown in Table 2. In comparison to the types of care used by married mothers, lone mothers are remarkable for the large amount of licensed child care used (39.0% versus 15.5% for mothers in two-parent families).

How much do lone mothers with preschool children pay for child care while they work? There are several ways of looking at this issue. Table 3 shows the weekly cost (for the youngest child) paid by currently employed single parents broken down into three categories: zero, for those who did not pay for care; from \$1.00 to \$50.00 per week; and, over \$50.00 per week. The figures are noteworthy for a couple of reasons, if we compare them to the pattern for all families with an employed mother and preschool children (see Cleveland and Hyatt, 1994, p. 26). First, a smaller percentage of lone mothers have free child care available (27% vs. 36%). As a result, a much larger proportion of single mothers pay between \$1 and \$50 for care (46% vs. 34%). Yet, despite lower average incomes, a very similar percentage of lone parent mothers pay over \$50 as do married mothers (27% vs. 30%).

A comparison of hourly prices is useful to determine whether lone mothers are indeed paying more for their child care than married mothers, as it might appear. Table 4 provides hourly prices categorized in dollar ranges. Here the effect of both child care subsidies, and the low income of single mothers which compels the use of cheaper forms of care becomes evident. Whereas only 12% of married mother families use care in the \$0-\$1 per hour price range, 32% of employed lone parent mothers use care in this price range. In total, therefore (two-

parent family figures in brackets for comparison), 59% of employed single mothers pay less than \$1.00 per hour for child care for one child (47%), and 89% pay less than \$2.00 per hour (84%).

The total dollar cost of child care is not trivial. Figures for annual child care expenditure in the CNCCS show that close to half of employed single mothers pay between \$2000 and \$6000 per year. It is useful to tabulate the (annual) fraction of the lone mother's income that is spent purchasing child care services for her children. Of course this varies from one family to another depending on the availability of subsidy, of care by a relative, and on the choice of type of care made by the mother. Table 5 (from which families paying zero are excluded) indicates that about two-thirds of single mothers who pay for child care pay more than 10% of their income in child care costs, slightly over half pay more than 15%, and two-fifths pay more than 20%. These are significant fractions of a single mother's scarce income; at the margin, they are clearly enough to affect the decision of many lone mothers to enter the labour force or not.

Of course, in all provinces, child care subsidies are to some extent available for low-income single parent families. Eligibility for child care subsidy and actual receipt of child care subsidy are often two different things. In most provinces, employed lone parent families who have incomes below Statistics Canada's low-income cut-offs (LICO's) would be eligible for full (or at least partial) subsidy. However, only one-third (34%) of employed lone mothers with preschool children who live below the poverty line use licensed child care; a larger proportion of poor employed lone mothers use informal types of child care. Further, a larger percentage of employed lone mothers who are non-poor use licensed child care (48%). These families may or may not be eligible for child care subsidy.

Table 1**Characteristics of single and married mother families**

Characteristics	Single	Married
Annual Family Income	58.9% less than \$10,000 27.3% \$10,000-\$20,000	3.9% less than \$10,000 9.2% \$10,000-\$20,000
Below Low-Income Cut-Offs	79.7% below LICO's	13.3% below LICO's
Marital Status	53% never-married 47% widowed, separated or divorced	100% married or common-law
Mother's age	5.9% 15-19 years 26.7% 20-24 years 67.4% 25+ years	0.8% 15-19 years 11.5% 20-24 years 87.7% 25+ years
Education	74.0% high school or less 15.6% degree or diploma	58.4% high school or less 32.1% degree or diploma
Occupation	42.8% white collar 36.9% blue collar 20.2% not worked in last 5 years	60.9% white collar 23.8% blue collar 15.4% not worked in last 5 years
Skill level	16.5% professional, managerial or supervisory 16.5% skilled worker 46.7% semi-skilled, unskilled	27.9% professional, managerial or supervisory 23.1% skilled worker 33.6% semi-skilled, unskilled
Employed	35.6% currently employed 9.0% unemployed	47.3% currently employed 6.4% unemployed
Employed full-time	28.7% employed full-time	32.5% employed full-time
Number of children < 10	60.7% only one 29.8% two	39.7% only one 45.7% two
Age of youngest child	36.8% less than 2 years	44.9% less than 2 years

Source: Calculations by the authors based on a sub-sample of data on single parents (described in the text) from the 1988 Canadian National Child Care Survey.

Table 2**Type of child care used by lone mothers with preschool children**

	Frequency	Percent	Cumulative Frequency	Cumulative Percent
NONMARKET	14300	27.1	14300	27.1
INFORMAL	17800	33.9	32100	61.0
LICENSED	20500	39.0	52500	100.0

Source: see Table 1.

Table 3**Weekly cost of child care for youngest child**

COST	Frequency	Percent	Cumulative Frequency	Cumulative Percent
ZERO	14200	27.1	14200	27.1
\$1-\$50	23900	45.6	38200	72.7
\$51+	14300	27.3	52500	100.0

Source: see Table 1.

Table 4**Hourly child care price, lone mothers with preschoolers**

PRICE	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	14000	26.8	14000	26.8
\$0-<\$1	16900	32.3	31000	59.2
\$1-<\$2	15700	29.9	46600	89.1
\$2 and OVER	5700^	10.9	52300	100.0

Source: see Table 1.

Notes: "^^" indicates that the estimate is small and should be used with caution.

Table 5**Child care spending as a fraction of family income, lone mothers**

	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0%-5%	7651^	12.9	7651	12.9
5%-10%	12198	20.5	19849	33.4
10%-15%	8688^	14.6	28537	48.0
15%-20%	5779^	9.7	34316	57.7
OVER 20%	25184	42.3	59500	100.0

Source: see Table 1.

Notes: "^^" indicates that the estimate is small and should be used with caution.

V. Is there evidence that lone mothers of preschool children would make different child care and employment decisions if the cost of child care were to change?

Section Q of the CNCCS, entitled "Main Method Evaluation", provides suggestive evidence that child care subsidies play a central role in allowing many single mothers to maintain a strong attachment to the labour force. In this section of the questionnaire, a "target" child is chosen, and detailed questions are asked concerning the main child care arrangement used for that child while the mother is working or studying (these questions are not asked to mothers not currently employed). Each mother who currently pays for child care is then asked the following two questions:

Suppose the cost of this care arrangement was to increase. Which of the following categories best describes by how much it would have to increase before you would start looking for another care arrangement for your child?

- by 0%, you can't afford any increase
- by 25%
- by 50%
- by 100%
- you wouldn't consider looking for another child care arrangement even if the cost more than doubled.

Which of the following categories best describes by how much it (i.e., the cost) would have to increase before you would quit your job (or schooling)?

- by 0%, you can't afford any increase
- by 25%
- by 50%
- by 100%
- you wouldn't consider quitting your job (or schooling) even if the cost more than doubled.

These questions therefore provide a self-evaluation by each working mother of her sensitivity to increases in child care costs.

We have coded mothers' responses into two categories for each of the above questions. Mothers who answered 0% or 25% were considered to be quite sensitive to changes in the price of child care,

and were coded as "SENSITIVE". Mothers who answered that a 50% increase or more would be necessary before they changed their current decision were considered to be relatively insensitive to changes in the price of child care; they were coded as "INSENSITIVE".

There are several problems in interpreting this self-reported information. First, since the questions ask mothers to make a hypothetical judgement, there is no standard by which to judge the accuracy of their estimates. Second, the question on quitting one's job is, at least partially, illogical. Since any mother has the choice of changing child care arrangements if the price of the current one rises, it seems reasonable to believe that someone would, instead of quitting their job because the price of their current child care arrangement rises, first attempt to secure less costly care. However, the answers given in the CNCCS data set indicate that this is not how mothers interpreted the question. It seems reasonable to presume that mothers are answering the question, "If the price of all available child care arrangements were to rise, by how much would they have to rise before you would quit your job?" This is how we will interpret the answers given in the CNCCS to this question.

Table 6 indicates that a large majority (69%) of lone mothers of young children will change their current child care arrangement if its cost should increase by as much as 25%. However, as Table 7 shows, a similar cost increase will have, as would be expected, a smaller but still very substantial effect on the number of lone mothers employed; about 40% of lone mothers would quit their jobs if the cost of child care were to rise by 25%.

Lone mothers are considerably more likely than mothers living with a partner to both change child care arrangements and to quit their jobs if the price of child care should rise. Table 8 shows that 68% of lone parent mothers, compared to 56% of married mothers, would change child care arrangements. Lone parent mothers are nearly twice as sensitive to the rising cost of child care (39% would quit a job, compared to 22% for married mothers).

Table 6**Sensitivity of lone mother's choice of child care to child care cost**

Sensitivity	Frequency	Percent
INSENSITIVE	17100	30.8
SENSITIVE	38500	69.2
Total	55600	100.0

Source: see Table 1.

Table 7**Sensitivity of lone mother's employment to child care cost**

Sensitivity	Frequency	Percent
INSENSITIVE	33400	60.1
SENSITIVE	22200	39.9
Total	55600	100.0

Source: see Table 1.

Table 8**Sensitivity of choice of child care, married vs. single**

Frequency (Row Percent)	INSENSITIVE	SENSITIVE	Total
PARTNER	178200 (43.8)	228900 (56.2)	407100
NO PARTNER	19000 (31.9)	40700 (68.1)	59700
Total	197300	269600	466900

Source: see Table 1.

Table 9**Sensitivity of mother's employment, married vs. single**

Frequency (Row Percent)	INSENSITIVE	SENSITIVE	Total
PARTNER	313600 (77.7)	90200 (22.3)	403800
NO PARTNER	36200 (60.6)	23600 (39.4)	59700
Total	349800	113700	463500

Source: see Table 1.

There are differences by marital status amongst single parents as well. Both in the choice of a child care arrangement and in the decision to be employed in the paid labour force, single parents who have never been married are considerably more sensitive to changes in the price of child care. If the price of their current child care arrangement were to rise by 25%, 78% of never married mothers declare that they would change child care arrangements, compared to 63% of separated, divorced or widowed single parents. By the same token, 43% of never-married mothers would quit a job compared to 38% of other lone parent mothers.

Our data analyses have also revealed, as we would perhaps expect, that as the price of care rises, the effect of a 25% increase in its price also rises. In other words, those who pay more for care are more sensitive to further increases in price. However, a different pattern appears for the effect of child care price on the employment decision. Those who pay a higher price for child care (above \$50 per week) are less likely to quit their job as a result of an increase in price than are those who currently pay \$1-\$50 per week. Why? The most likely answer is that those who use the more expensive child care are likely to have the higher incomes, and therefore the greater incentive to stay in their current employment.

VI. Conclusions

The substantive results of our inquiry on single mothers with preschool children can be summarized in the form of responses to four questions:

1. *Do the average characteristics of lone mothers with preschool children indicate that they will have important employment disadvantages in comparison to married mothers?*

Most single mothers with preschool children are 25 years of age or older, but a disproportionate number (in comparison with married mothers) are less than 25 (about 1/3rd). As a group, lone mothers are not highly educated or highly skilled, suffering on both counts in comparison to married mothers. Given the average relative employment disadvantages of never-married mothers, it is striking to note that a little more than half of all lone mothers with preschool children are never-married. The other half are divorced, separated or widowed. As a result of all these factors (and the availability of Social Assistance income as a preferred alternative for some single mothers), only 36% are currently employed. Eighty-six percent of lone mothers receive less than \$20,000 income annually.

2. *What type of child care do employed single mothers use?*

Most employed single mothers use market child care (73%), especially licensed child care (39.0%). Surprisingly, given apparent subsidy eligibility, employed lone mothers who are below Statistics Canada poverty lines are less likely to use licensed care than are those who are above the poverty line.

3. *How much do lone mothers with preschool children pay for child care while they work?*

About 27% of employed lone mothers with preschool children pay nothing for child care on a weekly basis. Close to half pay \$1-\$50 per week, and the balance pay more than this. Single mothers pay somewhat less on average than married mothers do. Nonetheless, given the low incomes of single mothers, amounts paid for child care are substantial in comparison to their incomes; over 2/3 of single mothers pay more than 10% of their incomes for child care. The proportion of lone mothers paying over \$50 per week increases as their incomes increase.

4. *Is there evidence that lone mothers of preschool children would make different child care and employment decisions if the cost of child care were to change?*

A review of international literature on the effect of the cost of child care on the employment decisions of single mothers suggests that they are particularly sensitive to the cost, and, in some studies, to the availability of child care. In Canada, we find that the cost of child care is a significant fraction of take-home pay of most single parents who use it; apparently enough to discourage many others from seeking regular employment. Lone mothers in the CNCCS data set who are currently working and paying for child care were asked whether they would change child care arrangements or leave their employment situation if the price of child care were to rise by 25% or more. Nearly 70% of single mothers reported they would change child care arrangements under these circumstances, while nearly 40% reported that they would quit their jobs. On both counts, lone mothers were found to be considerably more sensitive than married mothers. Similarly, on both counts, never-married mothers were found to be more sensitive than divorced, separated or widowed mothers.

Overall, the evidence provided in this article suggests that single mothers face considerable employment disadvantages in relation to married mothers and that these single mothers are likely to be strongly sensitive to changes in the cost of child care. We have seen that single mothers who are not working are very likely to be poor. These observations suggest that Canada Assistance Plan funded subsidies are likely to play a very important role in assisting single mothers of young children to

maintain an important attachment to the labour force, and to avoid long-term poverty.

At the same time, we note the cross-national observation of Elizabeth Duskin (O.E.C.D., 1990) that some single parents face even more serious employment barriers; low cost, easily available good child care is, in these cases, a necessary but insufficient condition for gaining employment.

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In since the early 1970s. A succession of reports, task forces, policy and funding but modern social realities are still not reflected in Canadian child care policy or services. However, high quality, regulated child care is still not widely available across Canada. The federal government has had a limited role in child care, and the child care situation is now quite precarious in a number of provinces. The Social Security Review, a major federal examination of social programs, conferred a central role on child care in 1994, but the 1995 budget proposed reduction of federal funds and pressures on social programs, supplementing the SSSR, seems destined to consign child care to a vulnerable, developing state.

Résumé

Dès le début des années 1970, les garderies sont à l'ordre du jour de la politique sociale canadienne. Une succession de rapports, de groupes d'étude et de comités ont proposé des modifications aux politiques déjà existantes et à l'octroi des fonds, mais la politique canadienne et les services de garde ne reflètent toujours pas le contexte social actuel. Ainsi, des services de haute qualité et réglementés ne sont pas encore offerts à grande échelle au Canada, ni se sont-ils absorbées. Le gouvernement fédéral a joué un rôle limité face aux garderies et les programmes provinciaux et territoriaux présentent des disparités considérables, reflétant aussi l'absence de politiques et de planification à travers le Canada. Au milieu des années 1980, les services de garde ont fait l'objet d'une activité accrue partout au pays. Cependant, la délicate actualité voit faire tendance se renverser et la situation des garderies est maintenant très précaire dans certaines provinces. En 1994, la *Social security review* (SSR), qui constitue un examen fédéral vaste des programmes sociaux, confère aux garderies un rôle central, alors que le budget de 1995, avec sa proposition de réduction des fonds de travail et de sa présence face aux programmes sociaux, supplantant la SSR, semble vouloir mettre les garderies dans un état de vulnérabilité et les laisser à elles-mêmes.

Child care has been part of Canada's uncompleted social policy agenda since the Royal Commission on the Status of Women first recommended a national day-care Act in 1970. A series of federal and provincial governments have promised to improve child care but despite task forces, reports, advocacy, and promises, most Canadian children still are unable to access regulated child care or even adequate quality. Indeed, the child care situation has generally deteriorated since the 1980s began. Governments across Canada, convinced that cuts to social programs are an obligatory response to the recession and government debt accrued and even reversed many of the modest gains made by child care in the late 1980s.

Child care advocates were optimistic following the Liberals' federal election victory in 1993. The Liberals pledged a major expansion of child care services, promising a significant outlay of new funds. Following the election, community/federal/provincial discussions concerning new child care policy were initiated by the federal government.

A major review of social programs by the Minister of Human Resource Development placed child care at the heart of proposed social reforms. Cross-country public consultations in 1994 by the Standing Committee on Human Resource Development revealed that support for child care is