

## Episode 230: America's Childcare Crisis

**Lizzy:** Time for me to go downstairs and switch off with my husband and take care of the 18 month old so that he can pick up the kindergartener,

**Mandana:** I've gotta go take care of my two year old too, in a couple minutes.

**Mary:** My gosh. And I'm taking care of my daughter's seven months old and that's where my husband is right this minute, we traded Tuesday for Wednesday!

**Mandana:** Wow. We're all in the thick of it.

**Lizzy:** We're all in the thick of it. It is absurd. All right. Well, good luck to all of us, then!

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**Lisa:** I'm Lisa Hernandez,

**Lizzy:** And I'm Lizzy Getty-Ehrlich.

**Lisa:** And we are your hosts for Scholars Strategy Network's No Jargon. Each month, we will discuss an American policy problem with one of the nation's top researchers without jargon. And this month we have decided to take on the childcare crises, affecting the nation.

**Lizzy:** You know, I'm in my own childcare crisis. And yet I've also, you know, I'm doing fine. And this whole conversation that I had with Dr. Mary King at Portland State University, it really made me think about how, what doing fine kind of means in context, like there are people who are not doing fine at all, and we want policy solutions for those families. And also all of us who are kind of keeping our heads above water. What if it didn't have to be this difficult.

**Lisa:** And I mean, this is like an especially good timely discussion to have with the reconciliation package underway and, you know, the possibility of universal preschool funding. I mean, wow. That is exciting. And definitely, I have known a lot of family members that could have used that help for sure.

**Lizzy:** Yeah. You take care of your little sister sometimes.

**Lisa:** Yes, I do. And you know, we, we manage and like you said, head above water. And, you know, we have a lot of family members that take on other people's childcare needs, but you know, it doesn't always have to be just figuring it out. Um, it can just be something that's accessible and, um, I'm excited. I'm excited to see what's going to happen in the future.

**Lizzy:** It looks like the pandemic definitely made a lot of people realize the incredible need for accessible childcare options that it's definitely going to be even more needed. People are going

back into work, as people are going back into offices, et cetera. I'm just glad to hear that you're optimistic. If you're excited for the future, then I kind of want to take that ride with you. Cause I don't always feel that way.

**Lisa:** And, you know what? It takes a lot for me to be excited, but the promise of universal childcare, like at least preschool funding is something that I didn't think wasn't the horizon for us at least three years ago. So.

**Lizzy:** We'll see if we can maintain these levels of positivity. Throughout the episode this week, I spoke to professor emerita of economics, Mary King at Portland State University. Dr. King is a labor economist. She's currently particularly focused on the public provision of high quality, preschool and childcare and other economic policy strategies that improve opportunities and outcomes for women, for people of color, for people from low income backgrounds. Here's our conversation.

**Lizzy:** Dr. King, thank you for joining us on No Jargon.

**Mary:** I'm really glad to be here. Thanks for inviting me.

**Lizzy:** Absolutely. So you've been a labor economist for quite a while. You're vice president of the Oregon Center for Public Policy. But you know, when in your career did you choose to devote special attention to childcare? Why did you make that? When did that happen? I know that's a relatively recent thing in your illustrious career.

**Mary:** I would say that focusing my research on it is recent, but I've always been interested in those kinds of things that create new opportunity, that fight poverty, that reduce racial and gender disparities, economic differences, and a strong family policy, including universal good childcare and preschool is part of that.

So, you know, in the teaching that I've done, we've always discussed it in that kind of thing. But after I retired from active teaching, I became more politically involved in the effort to bring universal preschool and childcare to my county and have worked for several years recently on that and connected with that started to do more research in the area myself.

**Lizzy:** Yeah. Great. Um, and we're excited to talk about, you know, what's been going on in your county specifically and how your research has sort of led to some interesting and positive changes. Uh, but you've written at length about the inadequacies you found in America's childcare system. So, you know, first we want to look at this issue from the perspective of parents. I think, you know, there's. A lot in the media, uh, over the course of the pandemic about what parents, especially of young children, you know, who'd be in elementary school are experiencing, what are some of the problems faced by low income parents in particular?

**Mary:** Oh, my goodness. There's just so little access to good childcare and good preschool for low income parents. What people need to understand is that. Preschool and childcare are public

goods. They're like K through 12 education. They have to be provided publicly. Parents cannot afford to pay the real cost.

And because the US has been such an outlier among the wealthy nations at, for decades, neglecting children, we just have not invested in the way that other nations have. So it means there's very little exp. And what there is is expensive, hard to get. And it's a terrific challenge, especially for families with low incomes.

And frankly, families with young children are among the lowest income families. We have the highest poverty rates in the U S are of young children. Not because they're poor, of course, but because their families are.

**Lizzy:** I want to circle back one second. When you said access to good childcare is so difficult for low income families. And I kind of wanted to define good for a second, you know, like what, what makes good childcare and what makes less good childcare.

**Mary:** Well, a huge element of good childcare is consistent childcare and it's really challenging for uh, low-income families to have consistent childcare because it's difficult for them to pay for it. And therefore that means that they're often patching together care from, you know, relatives and friends and each other, rather than being able to, have their kids in regular stable arrangement.

**Lizzy:** And the, and the pandemic exacerbated this, I'm assuming.

**Mary:** Oh, my gosh, the pandemic has been a disaster, as you know. I mean, it's been so hard for childcare providers. A lot of people have not been able to have their kids in childcare. And first providers were only able in my state at least to provide childcare for essential workers, healthcare workers, and people like that. Other people did not have access to childcare and many still don't. Our childcare system is inadequate in the first place. We don't have the space for everyone who needs it. And that is really true now.

**Lizzy:** And here's a question, you know, I'm putting on my podcast or hat. So I'm asking you questions like, and the pandemic made it worse. Right. But I have to admit I'm also a parent of young children. Disaster is, is readily apparent to me. It's not just theoretical. it's almost a farcical situation, uh, and it, it, you know, it just didn't occur.

I feel like to everyone, to all the non-parents out there, how much of this infrastructure really decided the kinds of time that you can spend outside the home as adults or how productive you can be, you know, no matter what your job is. and I, here's my big question as a parent, do you know or have you, have you figured out through your research.

Where exactly is the money that we're all paying for early childcare going, because we know it's not going to the workers. Right? That's the question I've had. And maybe my followup question, I suppose, is, do we have a sense of how we might be able to reform that system?

**Mary:** Well, we're actually paying very little for our childcare relative to what the true cost of childcare is. If you think about it, a lot of childcare is being subsidized by workers, earning very close to the minimum wage, regardless of their experience, skills and qualification. It's also being subsidized by being in very low cost facilities, for instance, church basements. I'm familiar with a childcare center here in Portland. Really an excellent one, one of the top ranked preschools and childcare centers in the city and county. And it has been paying in a church basement, \$4 a square foot for its facility. They no longer have access to that. They've been searching for commercial real estate and the best thing they find is \$27 a square foot. Now, how are they going to charge parents to. Increase their rent like that. They're already operating on a shoestring. And what people don't realize is even though childcare and preschool are very expensive for parents, they really aren't paying the cost of the facilities, decent wages, healthcare.

You know, all kinds of benefits that childcare workers don't have. It should be far more expensive than it is. And the only way to get there is through a strong public subsidy, or I think even better public provision. And that's what I meant when I was saying it's a public good, like K through 12 education. Very few parents could afford to send their kids to K through 12 school, if they all had to pay the full cost. And that's why the U S. --

**Lizzy:** I cannot imagine. I cannot imagine being on the hook for my child's entire K through 12 education, the way we sort of, you know, expect to for say non-community college, that's the thing. People prepare their whole lives for, to be able to afford it, it's unthinkable.

**Mary:** No, it's ridiculous. And it's why the U S was a leader in the world and starting to have public elementary and secondary education. And it made a huge difference. Our level of education, the whole world followed us. And it was a tremendous boom to the economy. I mean, really the biggest gain to the economy in the 20th century were made by education.

People forget that people don't realize that public investment is incredibly productive and it is similarly incredibly productive in early childhood education.

**Lizzy:** So then my next question is why not early childhood education? Like what, what was the difference in US policy that made us say subsidized public childcare in the form of education begins in kindergarten and not before.

**Mary:** Well, it's mysterious. It really is. When you look at, I mean, places like Jamaica start public school at three, Italy starts public school at three, and you know, they aren't sitting in desks and doing multiplication tables. They're playing, they're working on their social and emotional development and exploring the world.

But public provision starts here. And I don't understand it. We had actually bipartisan agreement on providing public early childhood education that president Nixon vetoed in 1971, which was already, you know, decades after the Scandinavians got it together.

**Lizzy:** So I want to shift the focus a little bit away from us and our theories in my family, to some of the folks that you've interviewed, um, during your qualitative research, you know, you've, you've spoken with parents. Who've really struggled to find childcare services that meet their needs, that meet their budget. Um, can you tell me about some of the people you see?

**Mary:** Well, you know, I can tell you about my daughter. She's currently searched in the Multnomah County area. She was unable to find childcare except at one location. That was it. In terms of the places that she was interested in would have worked for her. There is a whole service in Portland, Oregon called PDX Wait that helps people navigate waitlists.

And I can tell you myself. I luckily had access to great childcare starting when my son was two. I put him on the waitlist when he was born.

**Lizzy:** And I mean that clearly that's a system that only works for people who, who know about it, you know, who have the time and resources to kind of start that early. I think of all the things that I have sort of been late to the game on, you know, and it's horrible to imagine something so critical. Depends on your ability to, just to know about it and to navigate an app.

**Mary:** Right. It's ridiculous. And it's one of those things that ought to be like kindergarten, that they're doing outreach to families and meeting with families in their homes and helping kids become comfortable with neighborhood options or the options near work, whatever works for you. And that's the other thing I think I did want to make this point that there ought to be choice. For parents that is really best practices now. And what was in the Biden administration, his description of what childcare ought to be gets called mixed delivery. And that means, you know, that parents should have a choice of small family childcare providers or schools or centers or language or schedules, all kinds of things because families have different needs and preferences and.

You know, these are little kids. They need to find what works for the family.

**Lizzy:** Sure. And of course, you know, we're recording this podcast while President Biden's reconciliation package is, is being debated. It's unclear exactly what's going to happen. Um, but there's this there's, they're spending a lot specifically for early education and childcare. Can you tell us a little bit more about that proposal currently? And you know, if it, if that amount of money, as it's designated now were to pass what that might look like for the childcare landscape in this.

**Mary:** Well, I actually think it's not enough money. You know, they're talking about a wage floor of \$15 an hour. That's going to be for childcare workers that will be 25 cents above the minimum wage in Multnomah county. Next year, it's not enough money. And president Biden himself proposed a national minimum wage of \$15 an hour. And childcare work is skilled work. It is not minimum wage entry-level will tell you everything to do when you get here, kind of. So it's not enough money. And I believe that it's not enough money for physical infrastructure, either. My understanding is that there was childcare, physical infrastructure facilities in the original physical

infrastructure, part of the bill that got cut out. And now I think in the reconciliation bill, there's money for social infrastructure operations, but we need physical facilities as well.

**Lizzy:** By the time this airs, we'll see if maybe things will have become clear. You've also spoken in some of your research and in some of the writing you've done for SSN, you know, there are childcare programs specifically designed to serve underprivileged or underserved children, specifically Headstart. But it's problematic to have childcare programs that are only serving those populations. Can you elaborate on that?

**Mary:** Oh, absolutely. Just for starters, headstart is a well-respected program. It's been around for 50 years, but because it is focused only on families with incomes below the poverty line, it has been underfunded for its entire history. So it meets only a fraction of the need. Of people who aren't eligible. So the huge problem with means tested programs like that that are only available to people with certain incomes is we do not fund them.

They do not enjoy the kind of political support that our universal programs like social security and K through 12 education do. So that's the first thing, the second thing. Outcomes, even for kids from disadvantaged backgrounds are much better in universal programs. And that's because everybody benefits when people are mixed up with people who are bringing other experiences into the classroom.

The third problem is, once you are means testing a program, people have to document their income. There's an incredible administrative cost. I mean, it's like health insurance. You have to keep demonstrating that you're eligible and everybody's getting checked. And it's a tremendous expense that we completely do not have for our K through 12 system.

You just go and sign up the end. And that's what we ought to have for preschool and childcare.

**Lizzy:** So you've talked a lot about how, you know, the challenges that are being faced by parents. We know that now there are specific challenges for lower income parents, even when there are programs designed for them, those programs are inadequate. Some of the new proposals are still inadequate. We're talking about, uh, wages for these very important skilled workers that are still relatively too low.

How about those childcare providers more specifically, can you talk about a few ways, the system serves or does not serve them? Um, did you speak to childcare providers as part of your research? You know, what's that experience like from their perspective?

**Mary:** Oh, absolutely. We were speaking to childcare providers and childcare providers who are working in centers as well as childcare providers who are working from small homes and with fewer children and Nobody is being compensated. They have very few benefits. They do all kinds of things that are not recognized or paid for, My own sister worked for Headstart. She was buying materials out of her own pocket for the program. And, they don't have health and

retirement benefits. They don't have paid meeting time. They don't have paid prep time in my own county, if you are a preschool teacher, who's able to work for the public school system, your salary will be double what you are earning outside it.

And the impact of that is turnover rates in staff are incredible because people can not afford to stay in a field that many of them have put quite an investment into getting qualifications for, from certificates to college degrees. So people are mostly out of the field by the time that they're 30, if they have an alternate.

And many of them end up as K through 12 teachers. They'd love the work. They'd like to work with kids, young kids. And that's a specific skill working with young children, but they can't support their families. So they're out. And so the, the majority of people with training in early childhood education do not work with young children and we have a tremendously untapped labor force that has gotten out mostly because the wages and working conditions are really far below what's offered in other occupations.

**Lizzy:** Yeah. It really sounds as if we don't want quality and accessible childcare in this country. I guess I'll, you know, you can, I'll leave the definition of the we up to, uh, our listeners and the discussions they'll have after listening to this podcast. But, We're talking about multiple fronts here. We want to help parents. We want better quality education and care for children. We want better wages and benefits and working conditions for childcare providers. Um, we want everyone to improve their experience.

So let's talk about the universal preschool program that was recently approved in Multnomah county in Oregon. You played a big part in its creation. can you tell us more about the program and what sets it apart from other preschool programs that are currently in place.

**Mary:** Yes. The new program that voters approved two to one in Multnomah county last November has the potential to be a very strong national model. Intended to provide free universal year-round high quality preschool for all three and four year olds in the county with a choice of language, a choice of schedule part-time full-time the choice of setting and, Uh, choice of cultural approach and it will pay living wages.

It will pay per lead teachers comparably with kindergarten teachers. It will have a wage floor for all staff in the classroom of. 135% of the minimum wage, which what that means in Multnomah county next fall, when the first kids are enrolled will be effectively \$20 an hour. So teachers aides, teachers, assistant teachers, that kind of job title, there will be nobody who's really being paid less than \$20 an hour.

And then everybody will be on a payment matrix so that when, as they increase their skills and qualifications and build their experience, their salaries move up. It will be paid for by an income tax on about the top five to 8% of highest income households.



So it will be progressively funded. And I think these are the main characteristics and it will, it will be, open to unionization. If workers are interested in being represented

**Lizzy:** Hmm. And you know, what are additional steps that this program might need to provide as much benefit as possible because you know, that sounds great. Um, but I know there's always things that are, that are left out, you know, what's the next step in this battle to provide better education for young children in Oregon.

**Mary:** Well, that's a really important point right now. Our childcare system is thinking very little about people who are having increasingly what are called nontraditional hours on the job. And so I'm talking about people who work weekends, people who work evenings early mornings, and even overnight

**Lizzy:** So, which means then we know what research shows that means you're talking about primarily low income people, primarily women and primarily women of color.

**Mary:** You are absolutely correct. You're absolutely correct. We're talking about service work. We're talking about retail. We're also talking about manufacturing. We're talking about healthcare and there are lots of people who were, you know, uh, certified nurse assistants, practical nurses, all kinds of people in those categories who are relatively low wage. Yeah. And you're absolutely right. Women, people of color definitely over-represented what we need to have is a system that will pay incentive compensation to childcare providers who can offer care during non-traditional hours. Right now, the only people who are offering that kind of care are family childcare providers, people working in homes.

Often they're doing it because friends and family needed and turn to them, but they are not being compensated for the work that they're doing. And they are in a friendly relationship with a lot of their families and relate to the fact that, you know, their families are single mothers are not in jobs that pay well.

And so when they get asked, can you work a few extra hours here or there, because I'm being told I need to work a double shift, which I wasn't scheduled for or whatever it is they agree. So they are paying the price for the kinds of jobs that people are increasingly expected to do. Off hour as it's called or irregular and unpredictable scheduling is a huge part of that now.

Well, Norma county is open to providing preschool on weekend days and it stays, we'll be up to 10 hours available for people in the lower half of the income distribution and six hours for others with paid options available. So there are. Some efforts being made along these lines. But I don't believe that there is recognition of this need built into the federal program currently under discussion.

I hope I'm wrong on that.



**Lizzy:** Yeah, well, you know, I mean, it sounds like this is going to be quite an opportunity for research to actually see how a program like this is affecting those people and maybe provide, you know, some further insight and some, some data that can kind of back up the claims that you're making now about where you see those might be needed, you know, what do you think it's going to mean for the nation as a whole, to have this kind of experiment going on in Oregon? Like what lessons, uh, might other counties be able to draw from what your experience.

**Mary:** Well, that's funny that you mentioned it. I'm talking to several people about, uh, researching that impact and largely as a gentleman, And because so many people aren't interested, but I think we know from the literature that exists, that the impact will be tremendous and positive, and people will be looking to us to see that they're born out in this case, I believe.

But you know, the, the literature so far shows that publicly. Universal preschool. And especially for universal preschool pays off in terms of reducing poverty in terms of reducing differentials and disparities by race, by gender. And I think it will have a tremendous impact on the economy as a whole, in that level, the economy actually does better and people earn higher wages, but that's at the level of.

The community, but for individuals who are involved, both the children and the parents, there's a tremendous economic boost as well. I mean, the kids. go on to graduate from high school at higher rates, go to college at higher rates, earn more parents have the ability to either work more hours or to get more training or to move to a better neighborhood where that might be safer or have a better school if they come out from under what they are paying right now for childcare.

**Lizzy:** And if you had any kind of final thoughts for policymakers who are looking to make their own changes, you know, whether it's at the state or county level, what are just maybe the one or two top things? But folks should be focused on, you know, doing first as we kind of address this very uphill battle with so many fronts.

**Mary:** Well, I would commend them to have a look at the model. Come back in Canada, 20 years ago, they started with a childcare for \$5 a day for four year old. And they have since then expanded until they're now providing very affordable childcare for kids from infants up to the age of 12 or 13, I believe before and aftercare.

And that program is paying for itself and so the Canadian government is moving to support all the provinces to develop their own sort of program that best fits the provincial ideas of how this should go forward. But. It's a wasted opportunity.

And the criminal part of it is it's wasted human potential. It really means that kids grow up with less opportunity than they would if they had early childhood education, parents have less opportunity and there is a less vibrant and prosperous community and local economy as well.

**Lizzy:** Well, we're going to be watching what happens with the reconciliation bill. We're going to be watching what happens, uh, next fall in Multnomah county. Thank you so much for talking with us about all this.

**Mary:** Yes, thanks for giving me the chance. It's my favorite thing to talk about.

**Lizzy:** For more on Mary King's work. Check out our show notes at [scholars.org/no-jargon](https://scholars.org/no-jargon). No Jargon is the podcast of the Scholars Strategy Network, a nationwide organization, connecting journalists, policymakers, and civic leaders with America's top researchers to improve policy and strengthen democracy.

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