Parents’ Employment and Children’s Wellbeing


http://futureofchildren.org/publications/docs/24_01_06.pdf

Abstract

The Earned Income Tax Credit has offered a monetary incentive for low-income parents to work. Policies that encourage low-income parents to work are both widespread and well-entrenched in the United States. But parents’ (and especially mothers’) work, writes Carolyn Heinrich, is not unambiguously beneficial for their children.

On the one hand, working parents can be positive role models for their children, and, of course, the income they earn can improve their children’s lives in many ways. On the other hand, work can impair the developing bond between parents and young children, especially when the parents work long hours or evening and night shifts. The stress that parents bring home from their jobs can detract from their parenting skills, undermine the atmosphere in the home, and thereby introduce stress into children’s lives. Unfortunately, it is low-income parents who are most likely to work in stressful, low-quality jobs that feature low pay, little autonomy, inflexible hours, and few or no benefits. And low-income children whose parents are working are more likely to be placed in inadequate child care or to go unsupervised.

Context/Findings

Two-generation approaches, Heinrich writes, could maximize the benefits and minimize the detriments of parents’ work by expanding workplace flexibility, and especially by mandating enough paid leave so that mothers can breastfeed and form close bonds with their infants; by helping parents place their children in high-quality child care; and by helping low-income parents train for, find, and keep a well-paying job with benefits.

There are other opportunities to promote healthier working families and improve children’s wellbeing. Though research confirms that the first three to six months of an infant’s life constitute a particularly sensitive time for the child’s development and for bonding with caregivers, it is not definitively established that the caregiver should be the mother, full time, in every family.

Implications/Recommendations

One policy option would be federally mandated paid leave for either mothers or fathers in the first weeks or months of a child’s life.

An alternative to paid parental leave would be a fixed cash allowance provided by the
federal government, or via federal cost-sharing with states, that would both augment and replace existing public investments in child care. Exclusion for Employer-Provided Dependent Care Expenses, the Child Care and Development Fund, and the Title XX Social Services Block Grant) and letting parents use the money either to purchase high-quality early child care or to offset the earnings they lose when they spend time out of the labor force after welcoming a new child into the family. This option would be more flexible for families.

In addition, families could make choices that would reflect their own circumstances, such as the availability of quality child-care providers, the implications of taking time off for their career progression, the age and health of other children in the family, and many others. Employers would be on equal footing nationally in terms of the costs of offering a basic family work support, and they could supplement the allowance with other benefits as their needs allowed. Like the EITC, the benefit could be phased out as family income increased.

Another area of family work support policy where the United States is clearly out of step with both developed and developing countries across the globe is the mandatory provision of paid sick leave. Furthermore, research discussed earlier in this article provides convincing evidence of a strong connection between parents’ and children’s mental health, and a corresponding relationship between parents’ involvement and responsiveness and children’s cognitive achievement and behavior. One option would be to elevate the provision of sick leave to be on par with the availability of health care insurance coverage.

Employment and training services are minimally effective in helping them find new jobs and do not help to fully replace lost earnings. A number of possible reforms to the unemployment insurance system have been proposed, including some that would shift more resources toward workers with larger, long-term wage losses. One such alternative would replace unemployment insurance with a combination of wage loss insurance—which would supplement the earnings of workers who can find only lower-wage employment after losing a job—and temporary earnings replacement accounts, to which workers would also make contributions.