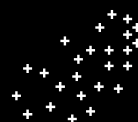




NATIONAL  
WOMEN'S  
LAW CENTER

Justice for Her. Justice for All.



CENTER ON  
POVERTY &  
SOCIAL POLICY  
at Columbia University

# FACT SHEET

## A LIFETIME'S WORTH OF BENEFITS:

How Affordable, High-Quality Child Care Will Benefit Lifetime Earnings and Retirement Security for Mothers Without a College Education

Even before the pandemic, mothers with less than a college education faced profound barriers to building economic security.

In 2019, women who started but did not finish high school and women with only high school diplomas were paid [72 cents and 75 cents, respectively, for every dollar](#) paid to their male counterparts. This financial precariousness makes it more difficult for non-college-educated women to afford reliable, quality child care. Among working families with children under age five who pay for child care, families in which the mother had less than a high school education spent [17 percent of their income](#) on child care, compared to 9 percent for those in which the mother had a bachelor's degree.

COVID-19 has only exacerbated these disparities. Workers without a college degree continue to experience high rates of unemployment, even as the overall unemployment rate has dropped. And there are lingering job shortages among child care workers, many of whom lack a college degree, including [nearly half](#) of center-based and two-thirds of home-based child care workers. These non-college-educated child care workers earned particularly low wages even prior to the pandemic.

It doesn't have to be this way. **Building a system of high-quality, affordable child care for all will help non-college-educated women and their families today and over the course of their lifetimes.**

### A Lifetime's Worth of Benefits

examines and quantifies the impact that child care for all could have on women's lifetime earnings and retirement security, underscoring just how much non-college-educated women and their families have to gain when we recognize and invest in child care as a public good.

### OUR NEW RESEARCH SHOWS THAT:

- 1** Expanding access to affordable, high-quality child care to everyone who needs it would increase the likelihood of women without a college degree working full time/full year (FTFY) by 31 percent. This would reduce the gap between men's and women's likelihood of working FTFY by one-quarter for those without a college degree. (See Figure 1.)
- 2** Providing high-quality, affordable child care would reduce inequality by disproportionately boosting the lifetime earnings of mothers with some college or less. Twenty-year-old mothers with less than a high school education would experience on average more than a 30 percent increase in their earnings.
- 3** Child care for all would reduce the gender earnings gap<sup>1</sup> substantially for women without a college degree. The gap in earnings (relative to white, non-Hispanic

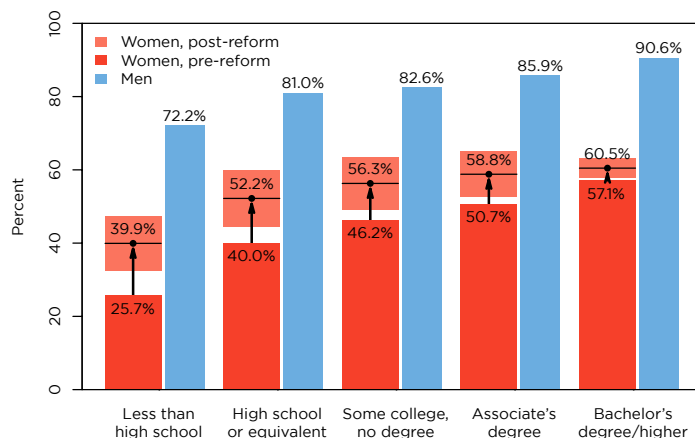
men in the same education group) would be reduced by about 15 to 25 percent for those with less than a high school degree, and 10 percent for those with a high school degree but no college degree, compared a reduction of about 2.5 percent for women with a bachelor's degree or higher. (See Figure 2.)

- 4** The policy would begin to reverse the history of undervaluing women's caregiving responsibilities by significantly improving the economic and retirement security of child care workers, and by ensuring a living wage regardless of education level. Child care workers in poverty would see a typical yearly earnings increase of 79 percent.

<sup>1</sup> When discussing the gap between what men and women are paid, policymakers most often refer to the wage gap because this measure is most suited for comparing pay for similar work. However, it is more useful to use the unconditional earnings gap in the context of child care reform because this measure includes workers who have part-time or zero earnings. Women take on a disproportionate share of family care responsibilities, which impacts how many women can work FTFY to begin with.

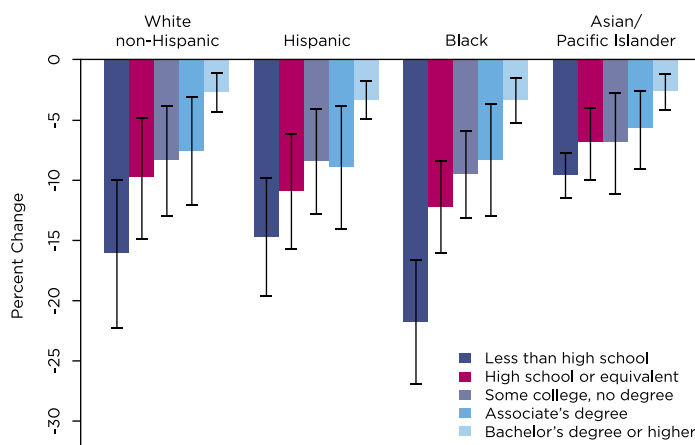


**Figure 1: Family Head/Spouse Ages 25 to 64 With Children Under Age 13 Working Full-Time/Full-Year, by Educational Attainment**



Notes: Working full-time/full-year is defined by reporting at least 1750 hours (or at least 35 hours per week for 50 weeks). The midpoint between elasticity-based and matching-based estimates post-reform are labeled, and the lower range of estimates corresponds to the elasticity approach and the upper range to the matching approach.

**Figure 2: Reduction in the Gender Earnings Gap for Adults Aged 25 to 64 With Children Under Age 13, By Race/Ethnicity and Educational Attainment**



Notes: Estimates compare the reductions in unconditional average earnings by education and race/ethnicity group relative to white, non-Hispanic men in the same education group. These estimates do not account for potential wage growth with increased job market attachment over time. Native American women were excluded from this figure because of imprecise estimates. The midpoints between elasticity- and matching-based estimates are shown by the bars, where the whiskers indicate the smaller elasticity-based estimates and the larger matching estimates.

The pandemic has exposed and exacerbated the challenges that non-college-educated women and their families face in the United States. Investing in high-quality, affordable child care would not only support these families, their communities, and child care workers in real-time, but also build economic security for these families throughout their lives.

The full report, *"A Lifetime's Worth of Benefits: The Effects of Affordable, High-Quality Child Care on Family Income, the Gender Earnings Gap, and Women's Retirement Security"* is available at <https://nwlc.org/resources/a-lifetimes-worth-of-benefits-the-effects-of-affordable-high-quality-child-care-on-family-income-the-gender-earnings-gap-and-womens-retirement-security/>.



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