Two Sides of One Child Care Dilemma

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Connecting Communities
The Fed and ... Children?

Photo Credit: Paula Keller for the Minneapolis Fed
Supply and demand in the child care market

Federal, State, and Local Government Spending on Child Care and Education in 2019, by Age Group

From Davis & Sojourner (2021)
Supply and demand in the child care market

Figure 6: Parental Hourly Wage and Hours Worked

Percent Difference from the Average Across All Parents

- Difference in Hourly Wage
- Difference in Hours Worked

Parents' Youngest Child Age

Note: Hours worked refers to average hours spent in work related activities. Hourly wage refers to the median hourly wage.
Source: CPS 2016; American Time-Use Survey 2015; CEA calculations.

From Council of Economic Advisors (2016)
Supply and demand in the child care market

From Bloodworth II, Gasco (2022)
Supply and demand in the child care market

Figure 2: Statistically Significant Intergenerational Effects at the 10% Worst-Case Level*

*Note: These estimates of the intergenerational treatment effects are statistically significant at the 10% level using the conservative worst-case test procedures developed in Heckman and Karapakula (2019).

From Heckman, Karapakula (2019)
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Closing remarks and requests

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• Mark your calendars for June 1, 2023, and join us for the next Connecting Communities webinar. Registration is now open!
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