



## What's at Stake

We all want children well cared for and ready for school. But government shouldn't favor one arrangement (daycare/preschool) over others. Instead, we should empower all families to make the best choices for their unique situations.

### **Most parents prefer family or home-based daycare.**

- **Most working mothers** would prefer to work less and spend more time with their children. High taxes and living costs make it difficult for families to live on one salary.
- Between 2005 and 2017, the number of home-based childcare providers fell by about **50 percent**.

Unfortunately, governments tend to subsidize larger, institutional childcare centers, making it harder for home-based centers to compete, and leaving families with fewer options

### **Institutional daycare is parents' least preferred option.**

- **53 percent** of married and 40 percent of single mothers think one parent staying home is best for children.
- Just **6 percent** of parents think a quality daycare center is optimal.

### **Greater daycare or preschool enrollment does NOT improve outcomes and may cause harm.**

- A federal study of Head Start showed no academic benefits and some emotional harms.
- While intensive programs can help very at-risk students, there's no evidence of benefits for the general population.

## The Better Way Forward:

### **Make daycare more affordable.**

- A Mercatus Center study found that low child-staff ratios did not improve the quality of child care, but significantly increased costs.
- Increasing child-staff ratios by one infant, for example, could "reduce the annual cost of child care by between \$850 and \$1,890 per child across all states, on average."

### **Policymakers should support all families.**

Rather than increasing subsidies for daycare, policymakers should help all families with young children by reducing tax and regulatory burdens and supporting strong, flexible labor markets so families can make the childcare decision that they feel is best.

## Addressing Misperceptions

MISPERCEPTIONS	FACTS
<p><b>Childcare subsidies will reduce costs.</b></p>	<p>When government gets involved prices go up. Look at college: subsidies meant to make college affordable made prices soar. Daycare users may pay less, but taxpayers will face skyrocketing costs.</p>
<p><b>Quality daycare/preschool programs will close the learning gap and benefit society.</b></p>	<p>Government research on Head Start found no lasting benefits. Other relevant studies of programs encouraging daycare enrollment show a mixed or even negative impact.</p>
<p><b>Families that can afford to keep a parent at home don't need financial help. Parents that use daycare do.</b></p>	<p>Many middle- and lower-income families make significant sacrifices so a parent, or other relative, can care for children.</p> <ul style="list-style-type: none"><li>■ 66 percent of working families earning \$75,000+ have children in daycare/preschools.</li><li>■ 57 percent of those earning less than \$30,000 rely on family care.</li></ul>