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## **New Directions in Work and Family Policy**

In the last 30 years, we have seen numerous social changes in how we live and work. It is critical that public and workplace policies keep pace with the contemporary realities of family and work. It is also critical that policymakers take into account the impact of the economy on families.

### **What Do We Know?**

#### *A Profile of Contemporary Families*

- Many families cannot afford the basic necessities of life on one salary, such as health insurance, housing, and grocery bills, much less have something left over for other necessary expenses (e.g., telephone service, clothing, personal care, household items, school supplies, and saving for retirement and higher education). Over one third of U. S. children under age 18 live in "nontraditional families" - that is, families that do not have both a father and a mother living in the home. The number of two-parent, single wage-earner families is dwindling due to cost-of-living demands. (Many of those with traditional families are recent immigrants.) Children in single-parent families are more likely to live in poverty and suffer negative outcomes associated with poverty. These risks can be reduced when parents are provided with supportive services, such as health care, parenting classes, food stamps, job training, psychological services, and assistance with child care, housing, and transportation.
- Often overlooked, but critically important, is the role of fathers in children's lives. A father heads one in every five single-parent households. Children with involved fathers experience better outcomes. They are less likely to exhibit behavioral problems, engage in risky behaviors (such as drug, alcohol, and cigarette use), or drop out of school, and they have better school attendance, higher college aspirations, and are more likely to become compassionate adults (according to a 26-year longitudinal study).
- Over 60% of poor children who live with their mothers and whose fathers live outside the home do not receive child support. One reason is that the fathers of these children tend to have low incomes themselves, limiting their ability to pay child support (Sorensen & Zibman, 2001). Work-oriented programs designed to ensure that fathers are doing what they can to support their children financially could be beneficial (Miller & Knox, 2001).
- Uninsured Americans receive about half the medical care of those with health insurance, and as a result, they tend to be sicker and die sooner. Only half of uninsured children visited a physician during 2001, compared with three-fourths of insured children. Lack of regular care can result in more expensive care for preventable or treatable conditions, and disruptions in learning and development. When even one family member is uninsured, the entire family is at risk for the financial consequences of a catastrophic illness or injury (National Academies, 2004).
- Depression is a common disabling mental disorder affecting more than 19 million Americans each year. Women are at least twice as likely as men to experience a major depressive episode within a lifetime. Depression is associated with significant decrements in work performance. Depressive symptomatology

is also correlated with work-family conflict, including among women with difficulties arranging, managing, and paying for child care (APA Summit on Women and Depression, 2002).

- Although most working parents report that they are "squeezed for time," there are benefits to paid employment for all adults -- when work pays. These include enhanced self esteem and reduced depression, with the greatest gains for those whose families are moved out of poverty.

### ***Urgent Need for Child Care***

- In dual-earner households, we have seen a change over the last 25 years in the proportion of time spent by mothers and fathers with their children (although the combined time spent by both parents has not changed). As mothers spend more time at work, fathers spend more time on chores and more time with their children (according to recent data collected by the New York-based Families and Work Institute).
- Child care has become the central issue for many working families. An estimated 13 million children younger than age six are regularly in child care, and millions of school-age children are in after-school activities while their parents work. Low-wage workers cannot afford quality child care unless it is subsidized. In addition, since the enactment of the 1996 welfare reform law, the proportion of low-income parents employed or engaging in work activities has increased dramatically. In 1999, 55% of low-income single mothers with young children were working, as compared to 44% in 1996. Given that the minimum wage in the United States is \$5.15 an hour and that child care costs can range from \$4,000 to \$10,000 a year, few low-income parents can afford quality child care. According to the Children's Defense Fund, child care problems often interfere with parents getting or keeping a job; when families receive financial assistance for child care, they are more likely to work.
- Numerous groups, including the Children's Defense Fund, have calculated the savings to society for programs such as *universal quality preschool, wrap-around programs that align school and work days, after-school programs, and combined child and elder care programs*. These savings vary depending on the assumptions and cannot be underestimated -- whether affordable child care means a parent can remain employed and a family can be financially self-sufficient or require reduced financial assistance; whether children will receive immunizations and other health services at the child care site, whether preschool educational services will allow children to start school ready to learn, whether after-school programs will reduce crime during peak after-school hours for older children, develop sports skills, and strengthen academic areas. These services need to be available at hours when working parents need them and need to be convenient to public transportation. Child care is the top reason why women fail to stay off welfare. Oftentimes, they cannot get children to child care before work starts, or a child gets sick and they lose their job. Our failure as a society to coordinate the needs of work and family continues to result in lost wages and failing families.

### ***Increasing Needs of Older Adults***

- Overall, 10 million older adults in the U.S. have a disabling condition that affects their ability to live independently. The percentage of older persons with disabilities increases sharply with age, with nearly 75% of those over 80 having one or more severe disabilities.
- For older Americans, the difficulties of poverty are amplified by soaring health care costs and the expected slow-down in employment that typically comes with aging. On average, 11% of older adults live in poverty; such factors as gender, marital status, race, and ethnicity affect the likelihood that older people will be poor.

- Older adults may assume the role of both care recipient and caregiver. Older women, in particular, provide significant care for spouses with disabling conditions, as well as grandchildren. Currently, 2.1 million children are raised by grandparents alone. An abused or neglected child enters kinship foster care when a child welfare agency places the child with a relative and a court makes that relative responsible for the child's care. Data from the National Survey of America's Families (NSAF) indicate that 405,000 children lived in kinship foster care in 2002. While kinship foster care offers children family support, the relatives they live with are frequently poor and face hardships themselves. Consequently, children in kinship foster care often do not receive important protections and services.

### *The Changing Workforce and Workplace*

- Family-friendly work policies are economically sound because they reduce turnover and absenteeism and increase employee loyalty. A recent study of family-friendly companies showed that these award-winning companies provided higher returns-on-investment than other industry-matched companies.
- Responsibilities of home and work, once the nearly exclusive problem of low-income women and women of color, have now spread to the great majority of mothers, and some fathers as well. Nearly three-fourths of mothers with children under 18 now work for pay. Seven million of them do not have spouses to share the work of earning a livelihood and caring for the children. There are also more than 1.5 million single fathers (U.S. Bureau of the Census, 2000). Included among the working parents are about 1.6 million who have left welfare since 1993 for jobs (Sawhill, 2001). These are mostly people without spouses working in the lowest-wage jobs, while trying to meet their family's need for their time and attention. Many thousands of other parents cannot even get jobs or cannot work as many hours as they would like because of competing work and family responsibilities.
- Despite all of the recent attention given to the needs of working mothers for flexible work schedules, mothers are no more likely than other workers to be able to determine the times they arrive at and leave work, or to decide when to take an occasional day off, according to the Economic Policy Institute. Single mothers, who must handle all the responsibility for work and family, have particularly rigid schedules. There is also a pronounced racial difference in work schedule flexibility: black workers are much less likely than white workers to be able to exercise any discretion over their work schedules. In contrast, men, and to some extent women with supervisory or policy-making authority, enjoy much greater flexibility than other workers.
- For the highly educated elite, technology has redefined the “workplace,” often blurring the line between work and home. For instance, employees are working at home, shopping at work, attending school at home and at work, and learning new job skills from their children and grandchildren. Electronic mail, cell phones, and fax machines, coupled with the expectation that a dedicated employee should be readily accessible at all times, have encroached upon family life and personal time. Women today have more formal education and are more likely to hold managerial positions than men, although many jobs are still segregated by gender. For instance, clerical work is over 90% female, while engineering is still predominantly male. Other job categories, such as law and accounting, are beginning to shift from primarily male to female.
- It is well known that depressed individuals utilize the health care system more than their nondepressed counterparts. Women in jobs combining little skill discretion, job control, and self-direction with high demands are more likely to be depressed. Work-family conflict also correlates with higher levels of depressive symptoms, including among women with difficulties arranging, managing, and paying for child care (Summit on Women and Depression, 2002)

## *The Impact of the Economy on Family and Work*

- The number of long-term unemployed persons has nearly tripled since 2001, and the percentage of Americans exhausting their regular unemployment benefits without finding work remains at the highest level on record.
- In 2002, over 4 million non-elderly, low-income families reported using a food pantry at least once during the past 12 months. The majority of these families had children, and most included adults who had worked during the past year. Nearly half of these families also had some help from the federal Food Stamp program in the past year. The data indicate that emergency food assistance programs, run largely by private organizations, play an important role in supplementing earnings and government assistance for many families (NSAF).
- There are 43.6 million uninsured persons in this country. According to Families USA, in any two-year period, approximately 75 million people -- nearly one out of three Americans who are not eligible for Medicare -- are uninsured for some period of time. Every American who has health insurance receives some subsidy for that insurance from the Treasury, either directly through public programs or indirectly through the tax deductions available for private insurance. Going without health insurance can have tragic consequences. The Institute of Medicine estimates that, every year, about 18,000 Americans die prematurely and unnecessarily because they do not have health coverage. That is about two deaths per hour. Millions more suffer from poorer health, lost income, and stunted lifetime opportunities because they do not have coverage.
- Data from NSAF, which examined changes in insurance coverage among low-income adults 19 to 64 years of age between 1999 and 2002, found that both low-income and higher-income adults experienced declining employer coverage and expanding public coverage, but changes were much more dramatic for the low-income group.
- According to a recent Economic Policy Institute report, jobs are shifting from higher-paying to lower-paying industries in 48 states. In the 2004 State of the Union address, President Bush proposed a new job training program; however, not every job that uses high-tech tools involves high-level skills or high pay. As recently reported in the Washington Post, the Bureau of Labor Statistics (BLS) projects that by 2010 almost 20.7% of all jobs will require a college degree or more, currently possessed by only 25% percent of the population. The BLS also projects that by that same year; almost 70% of job openings will only require work-related training and 42% only short-term, on-the-job training. The fields adding the largest number of jobs are "combined food preparation and serving workers including fast food," followed by "customer service representatives," "registered nurses," "retail salespeople," "computer support specialists," "cashiers," and "office clerks."

## **What Do We Need?**

- **Paid Family and Medical Leave.** The Family and Medical Leave Act provides job security for employees who need to take up to 12 weeks of leave to care for an ill family member. But the working poor cannot afford to take unpaid leave, and they are most likely to have ill family members. Ill family members miss medical appointments, often resulting in increased health care costs, prolonged illness, and ultimately the loss of employment for the caregiver (with unemployment costs and possible welfare costs) and untold stress to an already overstressed family. Paid family leave programs exist in Europe and South America and can be funded through a variety of methods including employee contributions to disability insurance funds. There are fiscally sound ways to keep working families together and healthy.

When the facts are considered, the importance of the Family and Medical Leave Act becomes even more apparent. For instance, the majority of older adults with disabling conditions are cared for by their family members. Over half of older adults with a cognitive or physical disorder receive help on a daily basis. On average, families provide care for over five years. Many families provide care around the clock. The current economic value of family caregiving exceeds \$195 billion per year.

- **Increased Minimum Wage.** A stagnant minimum wage has a significant impact on the earnings of low-wage workers. Increasing the minimum wage is the most certain way to put disposable dollars into the hands of working families, particularly those who are at or near the poverty level. Recent experience and numerous economic studies have proven that a reasonable increase in the minimum wage can be achieved without a negative impact on employment.
- **Safe and Affordable Child Care.** Only one in seven children eligible for child care assistance through the Child Care Development Block Grant program currently receives it. In some states, low-income working families cannot even apply for assistance. Low-income workers who are struggling to support their families are not able to access child care assistance or are losing the help they currently receive. Guaranteeing that families who receive welfare cash assistance, those transitioning off of welfare, or low-income working families get the child care they need to find and keep a job is critical to securing their financial independence.
- **Extended Unemployment Benefits.** As the American economy has lost millions of jobs over the last few years, there are hundreds of thousands of workers who have lost more than their jobs. These families also find themselves without health care and unable to save for retirement or higher education. Extending unemployment benefits - as has been done in every economic recession over the last 50 years - would provide a temporary safety net for these families as they continue to seek employment, job training, or education in order to improve their opportunities in the labor force.
- **Universal Health Care.** The Institute of Medicine's recent report calling for universal health coverage by 2010 recommends that proposed solutions be universal, continuous, and affordable to individuals and families. In addition, health insurance should be affordable, sustainable to society, and should enhance health and well-being by promoting access to high-quality care that is effective, efficient, safe, timely, patient-centered, and equitable. It is also critical that policymakers, professional organizations, educational and training institutions, and providers develop policies and implement practices to ensure that those individuals with depression and other mental health and substance abuse problems are recognized and have access to empirically validated and cost-effective treatment for them and their families (APA Summit on Women and Depression, 2002).
- **Flexible Workplace Policies.** Workplaces could establish a statutory minimum number of sick days, personal days, and vacation days. These are all ways that family members try to deal with unexpected problems associated with child or elder care. The United States is *alone* among affluent countries in not requiring a minimum number of sick days and vacation days. Some countries additionally require days off specifically for the care of ill family members. The implementation of flexible schedules attracts and retains qualified employees, reduces stress and absenteeism, and improves productivity.

Family, as we each define it, and work are primary concerns to us all. Sound and humane policies can both reflect our values as a society and be financially sound. The gap between the highly educated elite and unskilled workers is a growing chasm with many working families living precariously close to the edge. Life-long learning and affordable higher education must be part of any plan for an educated workforce, financially stable families, and a sound national economy - they are inextricably linked.

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