The Oregon care economy is largely unseen and underinvested, creating a weaker, less inclusive economy; insufficient care; and hardship for Oregonian families and caregivers. Oregon’s care economy includes all care labor, both paid and unpaid. That includes all of the work involved in taking care of children and seniors, as well as care and support for people living with physical, intellectual and developmental disabilities, whether by unpaid caregivers, or paid caregivers in public, private and non-profit contexts.

The care economy includes all public investment in and support for care. Programs aimed at supporting families in their provision of unpaid care, such as paid family leave, training and education for caregivers, respite care and stipends to mitigate hardships for people providing intensive care for family members with disabilities in their home, are all elements of the care economy.

It includes all public and private investment in direct care provision, such as Head Start child care, and public subsidies for child care and Employment Related Daycare (ERDC), adult day programs, residential and homecare care for seniors and people with disabilities, as well as accommodations and support for care offered by employers, such as nursing rooms, on-site child care, care referral, and paid days off for family care. It includes Oregon’s families’ resources of time and money invested in purchasing and/or providing care and support.
Oregon’s current care economy is vast and largely invisible. Currently underinvested, it creates and exacerbates poverty and inequality, while a strong care infrastructure would reduce poverty and inequality. We are missing the opportunity to invest adequately in the care economy in order to build a stronger, more inclusive economy and better life for us all.

OREGON’S CARE ECONOMY

This report seeks to bring care work into view. Our definition of care is inclusive and broad, drawing together arenas that are often thought of separately, when they are thought of at all. Here, the care economy refers to all labor in the support and care of others including care workers working who are paid and family members who are not. Our definition includes the care needed in the very first days of life and that required by those in their waning years. We extend our definition from nurturing and education at the start of life to support for a secure quality of life of those with chronic conditions or different abilities, and also to the intimate care required by those who can no longer decide what care they need.

In Home Health Services (working for agencies)
$10.93/hr
median wage
37%
have health insurance through work

In Private Household Services (working directly for clients)
$9.34/hr
median wage
30.7%
have health insurance through work

In Long Term Care (nursing homes & residential care facilities)
$10.81/hr
median wage
48.9%
have health insurance through work

Child Care Workers (providing care in clients’ homes, ie. ‘nannies’)
$9.77/hr
median wage
30.5%
have health insurance through work

Family Child Care Providers (care for children brought to provider’s home)
$5.58/hr
median wage
27.5%
have health insurance through work

Child Care Workers (at child care centers)
$9.30/hr
median wage
45.3%
have health insurance through work

Preschool Teachers (in child care centers, does not include schools)
$11.07/hr
median wage
59.9%
have health insurance through work

Source: Calculations using 2010-2014 American Community Survey (5-year estimates).
Working population considered is civilian, non-institutionalized labor force ages 18-64.
Oregon's paid care workforce consists of more than 70,000 workers at any one moment in time, and is expected to grow rapidly as our population ages. This is likely a conservative measure of paid work in care, as census figures may not capture the entire care workforce.

Earning roughly $10 per hour, paid caregivers—nearly all women and disproportionately women of color—are seriously underpaid for the essential work that they do and the skills they bring. Far too many must rely on public benefits like food stamps just to make ends meet.

Most in-home, paid care workers have recently gained minimal labor rights and protections in Oregon and a few other states, but some people providing in-home elder care remain uncovered by basic labor law. The very highest workplace injury rate reported by the US Bureau of Labor Statistics is for state-run nursing and residential care facilities workers and injury rates may be even higher for in-home elder care positions.

Alongside this substantial and poorly compensated paid care workforce is a legion of unpaid care workers. A very conservative measure suggests that unpaid care generates the equivalent of 167,000 full-time care jobs a year inside families in Oregon. That’s time spent caring mostly for young children, without accounting for activities categorized as cooking or cleaning that are part of caring, or on-call supervision. Even when very narrowly defined, women appear to provide at least twice as much unpaid care as men do. Low-income caregivers, women, people of color, people caring for their spouses/partners, and older caregivers are working particularly long, unpaid hours providing elder care.

Oregon’s current care economy is vast and largely invisible. Currently underinvested, it creates and exacerbates poverty and inequality, while a strong care infrastructure would reduce poverty and inequality.
STRESS EVIDENT IN THE CARE ECONOMY: HIGH CARE COSTS, HIGH WORKFORCE TURNOVER, UNMET NEEDS

The cost of care is extremely high. The median annual price of toddler care in an Oregon child care center was $11,976 in 2014. Child Care Aware America found Oregon to have the second least-affordable center-based infant care of any state, and fifth least affordable center-based care for four-year-olds.

Full-time, center-based infant care for one child cost 51 percent of median income for single parent Oregon families for 2014, and 15 percent of median income for married-couple families, in stark contrast to the federal benchmark for “affordable” child care of 10 percent of family income.

The private market for long-term care for seniors and people living with disabilities or chronic health conditions can also be prohibitively expensive. Medicaid provides almost half of the non-family funding for long-term care, but only to those who have exhausted their assets and income.

High costs of all types of care have pushed many into lower cost, and often lower quality, alternatives. Many households piece together sometimes unreliable family or neighbor care, or simply drop paid work hours altogether. TOO MANY GO WITHOUT CARE AT ALL. MORE THAN ONE IN TEN US CHILDREN AGED 5 TO 14 TAKE CARE OF THEMSELVES REGULARLY during the week, including 5 percent of kids aged 5-11, for an average of 5 hours a week. Of the world’s wealthiest countries, the 40 OECD nations, 32 have a markedly higher proportion of 3-5 year-olds enrolled in formal care or preschool than the US.

“My problem is when my main worker is ill, and they send another worker and they have not been trained for my daily needs or direct care I need. It makes me feel disrespected since I have to explain to them my daily needs when the company should have trained the worker according to my needs. I had to call an on-call worker and had to have someone on-call until they were able to find a new worker.”

- Sherry
Even though the cost of care is high, the quality of care jobs is low. Care workers earn extremely low wages and many rely on public benefits to make ends meet. Low job quality generates high turnover in care jobs, which undermines the quality of care. Indeed, low employee turnover is a widely accepted proxy for quality in care work. One in five child care workers left the field in 2012. Turnover of long-term care workers on average was over 60 percent annually in 2013, 90 percent for caregivers of adults with developmental disabilities.

These problems of affordability and job and care quality will not solve themselves. The need for care is projected to grow substantially in the near future. Oregon’s Office of Economic Analysis predicts that the population 65 and older will grow by half by 2020, as compared to 2011. According to a recent Oregon Department of Human Services report, it will be difficult to recruit and retain the paid care workers needed for elder care if wages and working conditions are not improved.

**THE ECONOMIC CASE FOR GREATER PUBLIC CARE INVESTMENTS**

There is a strong, well-documented, economic case for systematic and significant public investment in care. Care investments generate stronger economic growth; strengthen families and communities; and promote equity.
People in low-income households - disproportionately women and people of color - too often go without care they need, receive care of poor quality, and live in families particularly burdened by both unpaid care and care expenditures disproportionate to their incomes.

**CARE INVESTMENTS PROMOTE GENDER EQUITY.**
Women provide far more unpaid care than men do, hurting their overall lifetime earnings, increasing their poverty rate and poverty among families supported by women, and creating high rates of poverty among women in old age. Not only do parents – especially mothers – work fewer hours as a result of their caregiving responsibilities, but employers assume that they might work fewer hours, and therefore promote men over comparably or better qualified women. Stronger care infrastructure would help reduce gender disparities.

**CARE INVESTMENTS PROMOTE RACIAL EQUITY AND SUPPORT LOW-INCOME FAMILIES.** Women of color are disproportionately represented in poorly paid care work so improving their jobs closes the wage gap. People in low-income households – disproportionately women and people of color – too often go without care they need, receive care of poor quality, and live in families particularly burdened by both unpaid care and care expenditures disproportionate to their incomes. Improving care infrastructure would support and strengthen these families.

**CARE INVESTMENTS PROMOTE ECONOMIC GROWTH** by increasing labor force participation of unpaid caregivers, boosting earnings, lifetime incomes, reducing poverty, and increasing tax revenues. More and better care for seniors and people living with disabilities reduces emergency room visits and health care expenditures.

**THERE’S A SIGNIFICANT LONG-TERM PAYOFF TO HIGH QUALITY, EARLY CHILDHOOD CARE.** Children who receive high quality care have been shown to do better in school, earn more and require less social assistance later in life.
Securing a decent standard of care requires fundamentally and dramatically reshaping our understanding of what care work is, what it is worth, and how to pay for it. The workers providing care must be valued, not venerated as saintly or ignored as servants, but prized as workers who serve the public interest. Families need to be supported in their caring – able to provide care at critical moments, able to afford care for loved ones, secure in the quality of the care. All of that will require serious, and public, investment.

TO CHANGE THE CARE ECONOMY, THE STATE OF OREGON MUST INVEST RESOURCES DIRECTLY INTO IT. For that investment to pay the highest returns economically and socially, it should be through comprehensive programs that support unpaid caregivers; make paid care more available, accessible, affordable, and culturally appropriate; and employ paid caregivers with wages and working conditions that allow for dignity, comfort and access to care themselves. With significant and smart investment, Oregon can build a stronger care economy.

“We have struggled a lot with child care costs. My husband makes $15/hr and with two children we pay at least $17/hr for care. Essentially, our adjusted gross income last year was just under $30k combined, and we will spend at least $15k on child care this year. That’s half of our income! This is totally stressful and crazy.”

- Corey
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ABSTRACT
In this paper we make the case for a comprehensive public policy approach to addressing Oregon’s care gap by enabling family members to care for loved ones without economic penalty and ensuring paid caregivers are able to provide high quality care without compromising their own well-being, while all people receive care who need it. We describe Oregon’s care economy; outline the serious weaknesses of our current care infrastructure for children, seniors and people living with disabilities; provide evidence of the high economic returns to public care investments; and point out that the most successful care investment programs simultaneously address the needs of over-burdened unpaid care providers, the high cost and uneven quality of paid care, and significantly increase the care workers’ wages.