

Opening Statement
JEC Hearing on “Making it More Affordable to Raise a Family”
September 10, 2019, 2:30pm
216 Hart Senate Office Building

Good afternoon, and thank you for joining us for this hearing of the Joint Economic Committee.

The American economy is thriving. The current economic expansion is the longest in U.S. history. Our unemployment rate has remained below 4 percent for the past 18 months. In recent years, we’ve seen consistently solid GDP growth and job creation.

Yet, for many parents across this country, raising a family is harder and more expensive than ever. The New York Times recently surveyed adults 20 to 45 who were parents or planned to be. One in four had fewer children—or expected to have fewer children—than they considered ideal. Economic concerns were foremost among the reasons that they fell short or believed they would.

Over the past few years, the Joint Economic Committee’s Social Capital Project has been documenting trends in our “associational life,” that is, the web of social relationships through which we pursue joint endeavors—our families, communities, workplaces, and religious congregations. A critical source of meaning and social capital is, of course, the family. That’s why two of the Project’s main policy objectives are: making it more affordable to raise a family, and increasing the number of children raised by happily married parents.

The goals of today’s hearing are to examine factors affecting family affordability and to explore policy approaches that would allow more Americans to start and raise the families they desire.

Increasingly, “family affordability” has become a unifying concern among lawmakers and commentators on both the political left and right. We hear it in discussions around topics as varied as child tax credits, declining fertility rates, increases in the cost of child care and housing, paid family leave, and student debt burdens. Motivating all of these discussions is a simple sentiment: **it shouldn’t be this hard to raise a family.**

The problem is multifaceted. Economic challenges such as debt loads and increases in the cost of living make family formation and expansion difficult for many Americans. Even many families that are economically stable must deal with the challenges of balancing work and family. Parents want to afford the best neighborhoods and schools for their children, but that often leaves too little time to spend with them. As more families have sent two earners into the workforce, employers have been slow to accommodate their desire for balance.

Meanwhile, Americans who might prefer something closer to a traditional single-breadwinner family face prices for housing and other expenses that are bid up by dual-earner households. And the growing ranks of single parents are hampered by their high poverty rates.

The answer to “How did we get here?” is complicated. Our first step must be to adequately diagnose the problems facing our families. What fuels the rising costs of healthcare, child care, education, and housing? How many people are hindered in family formation by excessive student loan debt, inadequate income, or poor job prospects? To what extent does declining fertility reflect changing preferences, economic barriers, or other factors? Does the rise of the dual-earner family signal increasing hardship or simply changing values?

The next step must be to come up with solutions. What is the best way to help more families afford time out of the workforce to care for newborns? Are there ways to increase work-family flexibility that are minimally disruptive to employers? Are there government policies that unintentionally have contributed to increases in the cost of housing, higher education, and health care—which can be reformed? How can we make the tax code fairer to parents who bear the costs of supporting future generations of Americans?

Our panelists today will discuss some of these topics—and more. I look forward to their testimonies and to a productive conversation aimed at helping parents and strengthening our families.

I now recognize Vice Chair Maloney for opening remarks.