

Childcare policy, maternal employment, and the UK policy debate: examining the evidence

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Childcare Policy and Maternal Employment: Evidence & Lessons from the U.S.

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“Working Mothers” Have Evolved



1950s

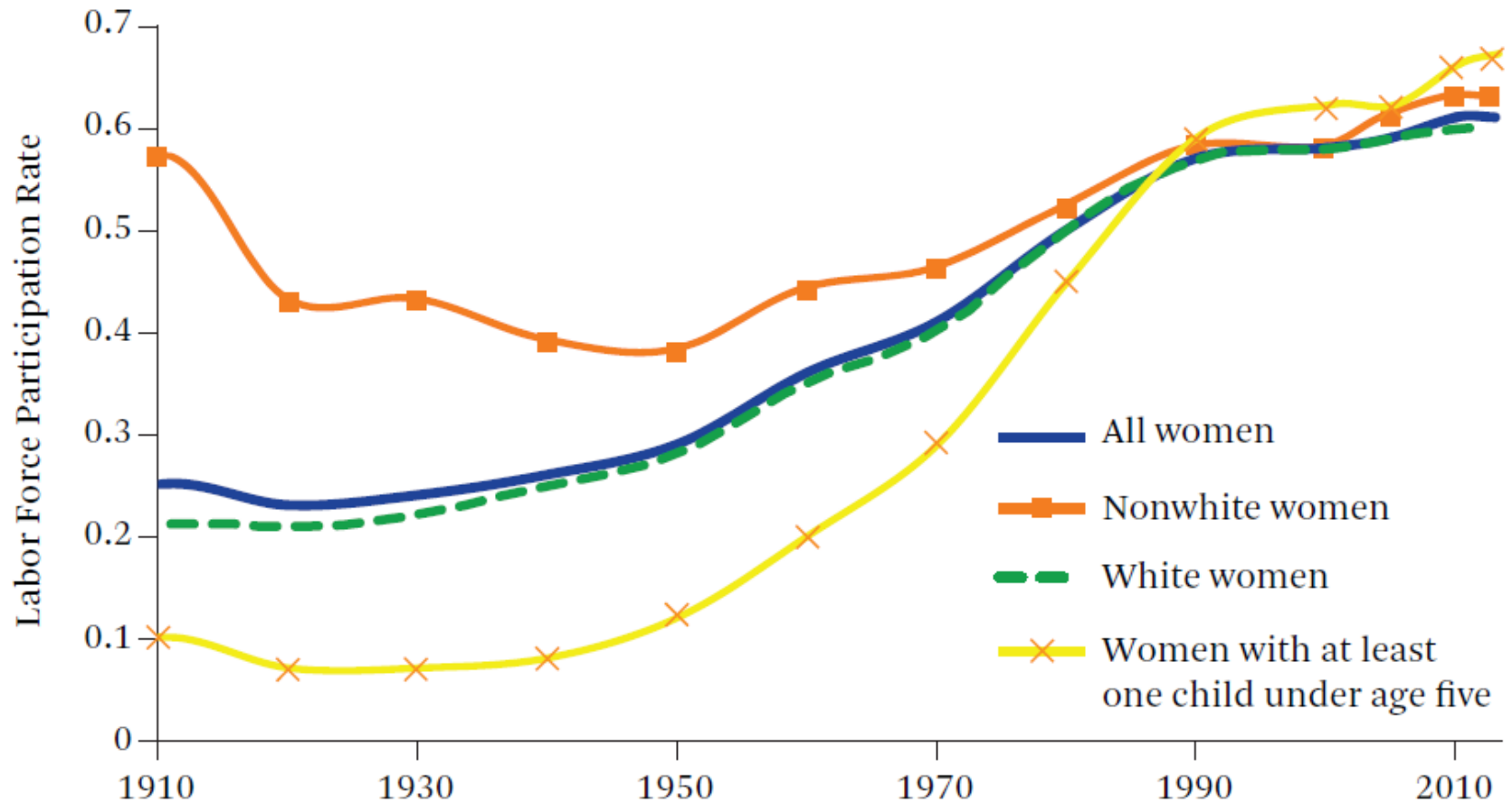


1980s



now

Figure 2. U.S. Women's Labor-Force Participation, 1910–2010



From Bailey and DiPrete (2016)

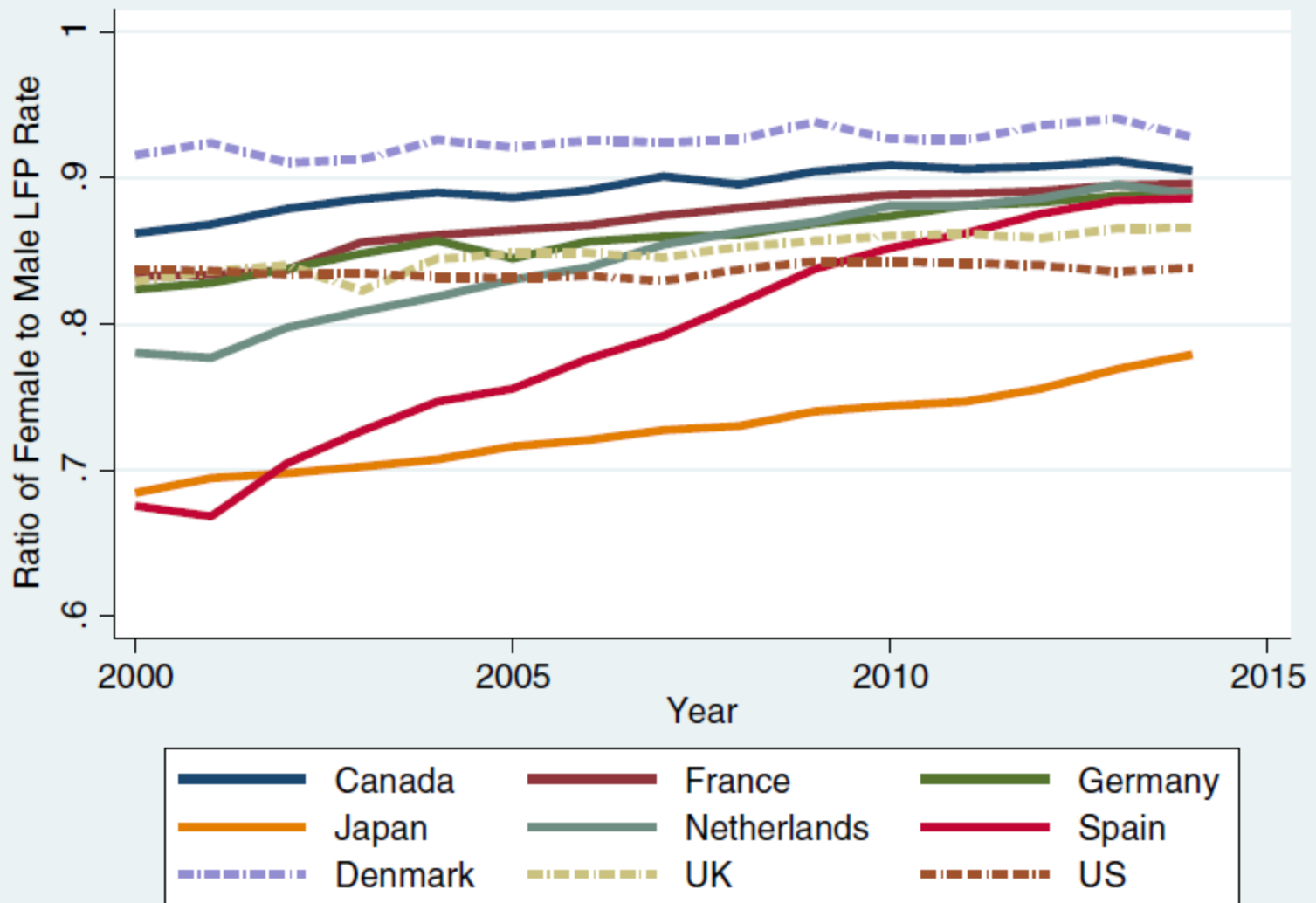


Fig. 1. Ratio of female to male LFP for 25–54-year-olds for select OECD countries, 2000–2014.

From Cascio, Haider, and Neilsen (2015)

The Big Picture

- Is the cost of childcare – and a lack of policy to alleviate it – holding back U.S. mothers LFP?

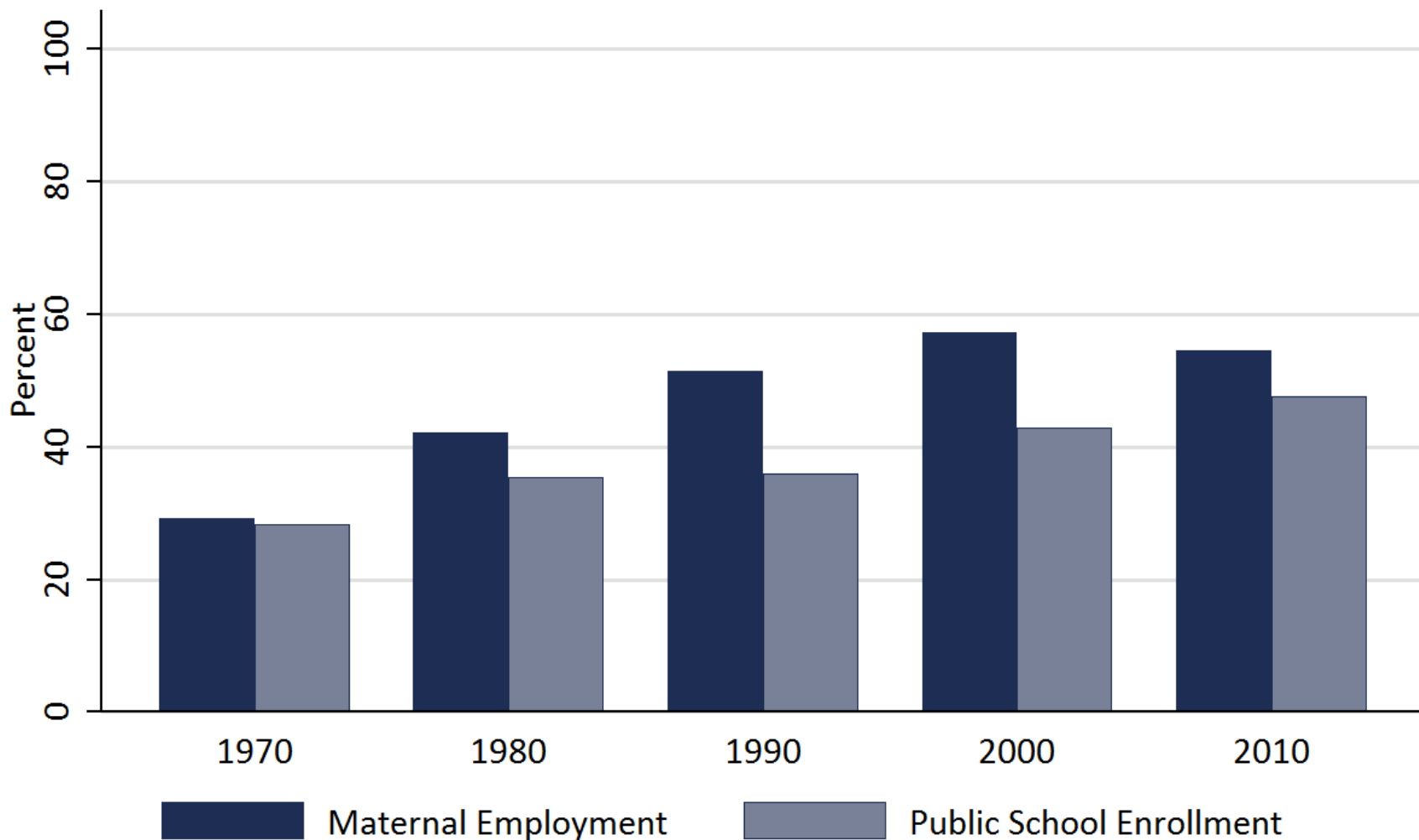
The Big Picture

- Is the cost of childcare – and a lack of policy to alleviate it – holding back U.S. mothers LFP?
- U.S. is least generous among industrialized nations in subsidizing childcare
 - Heavy reliance on public early education

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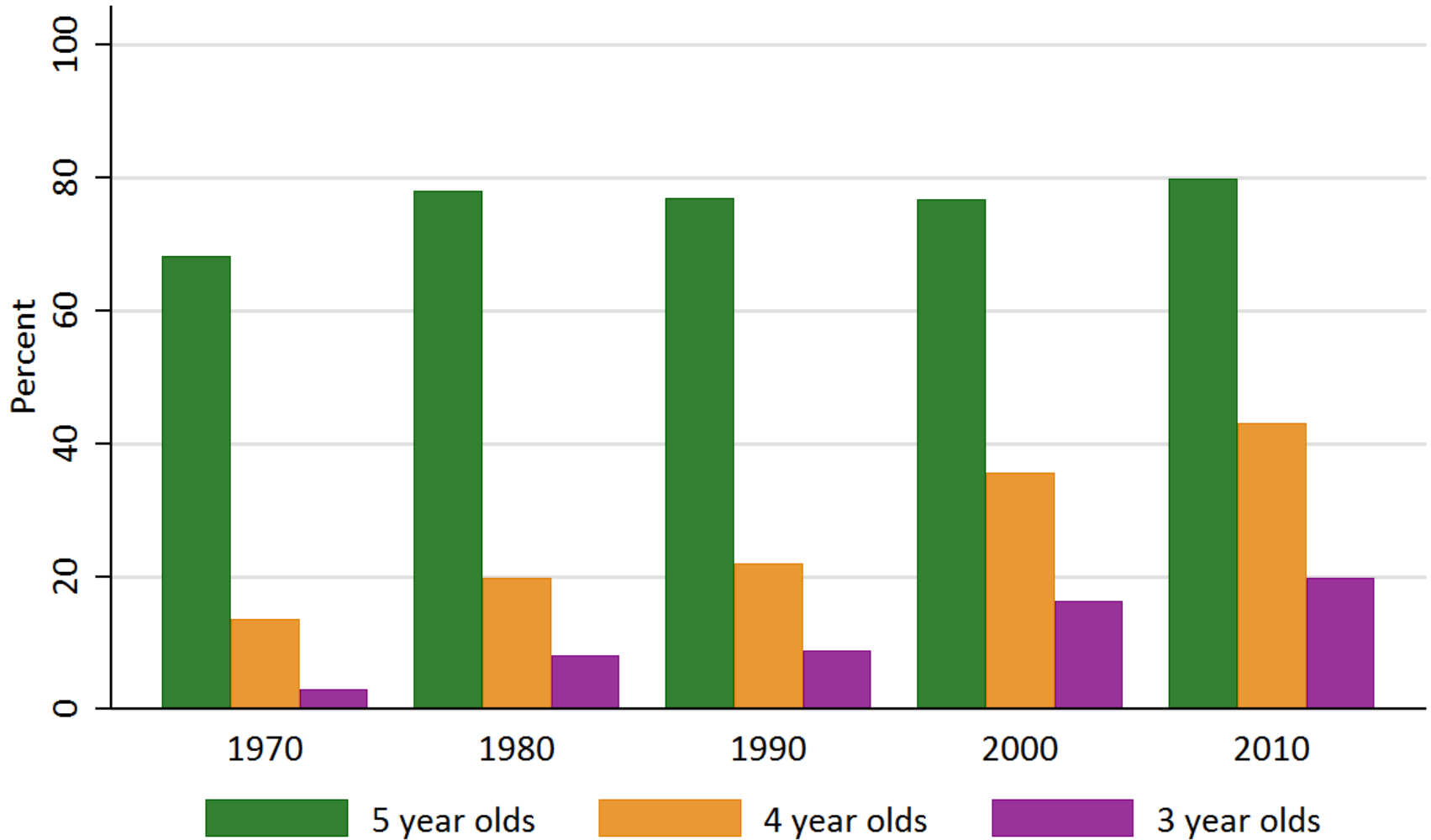
- Is the cost of childcare – and a lack of policy to alleviate it – holding back U.S. mothers LFP?
- U.S. is least generous among industrialized nations in subsidizing childcare
 - Heavy reliance on public early education
- Trends in early public school attendance & maternal employment not strongly correlated

Trends in Maternal Employment and Public School Enrollment: 3 to 5 Year Olds in the U.S.



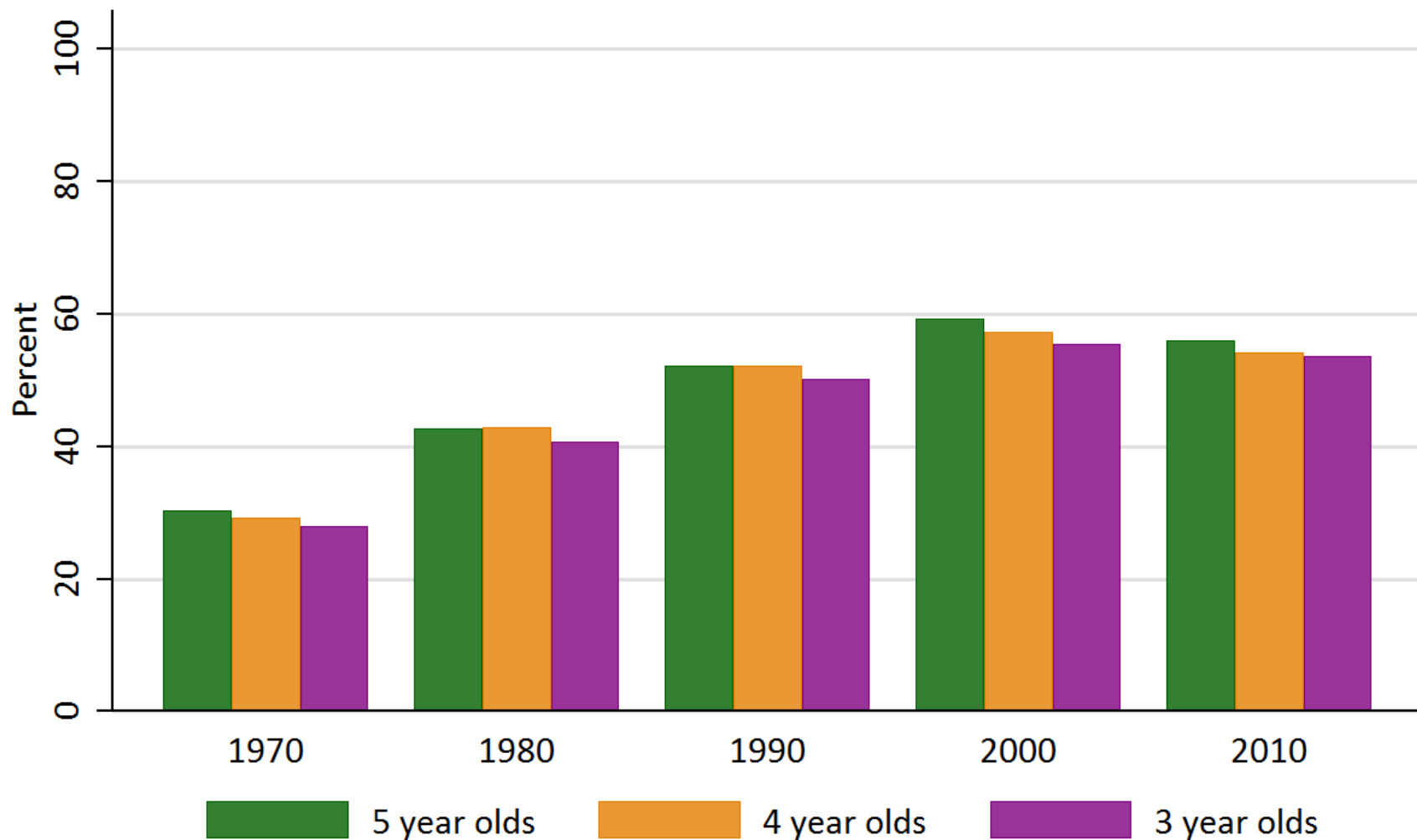
Note: Author's calculations from the October CPS. Figures are 3-year moving averages.

Trends in Public School Enrollment by Age: 3, 4, and 5 Year Olds in the U.S.



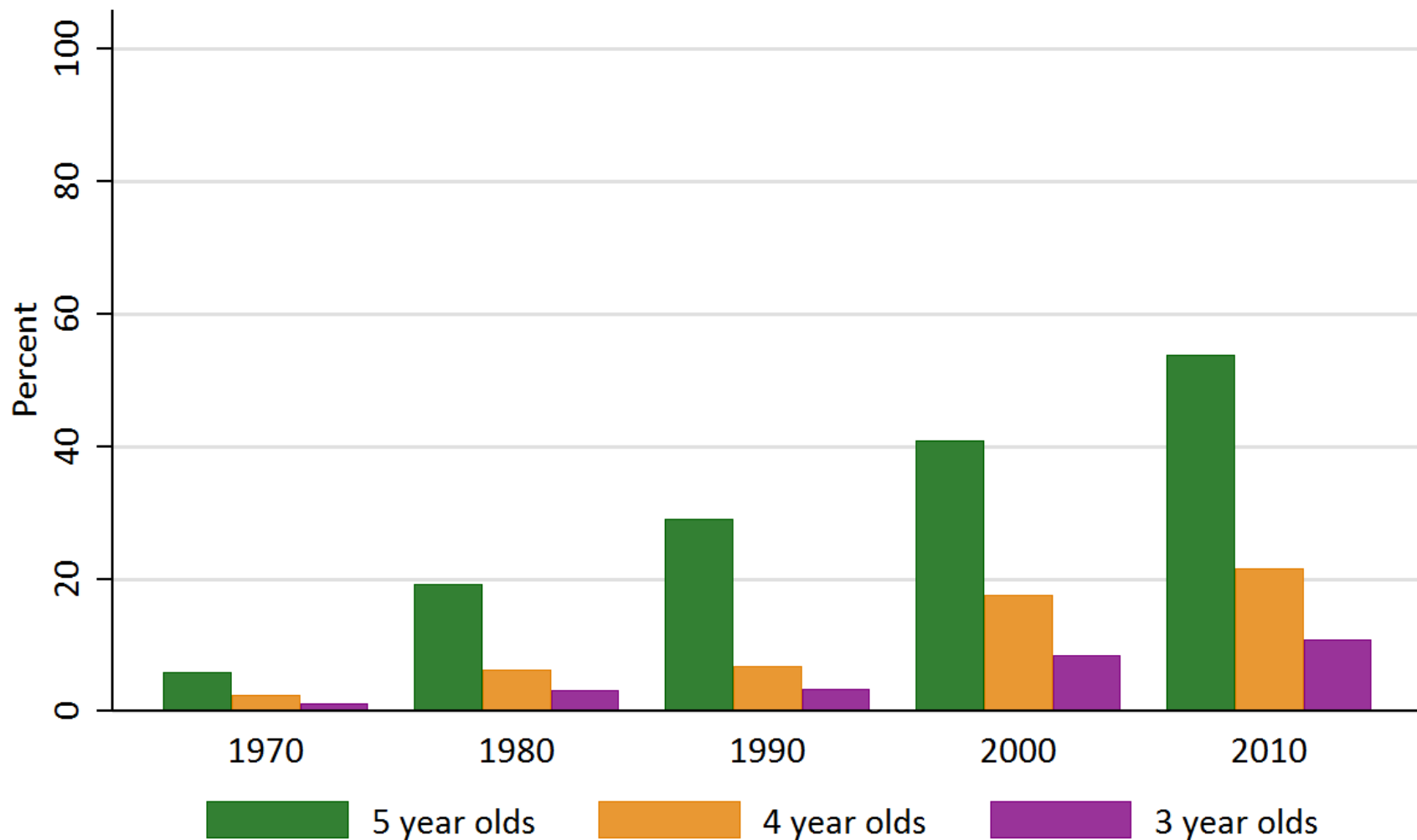
Note: Author's calculations from the October CPS. Figures are 3-year moving averages.

Trends in Maternal Labor Supply by Age: 3, 4, and 5 Year Olds in the U.S.



Note: Author's calculations from the October CPS. Figures are 3-year moving averages.

Trends in Full-Day Public School Enrollment by Age: 3, 4, and 5 Year Olds in the U.S.



Note: Author's calculations from the October CPS. Figures are 3-year moving averages.

Other Driving Forces?

1. Changes in “preferences” for work
2. Changes in non-labor income
3. Rising women’s wages

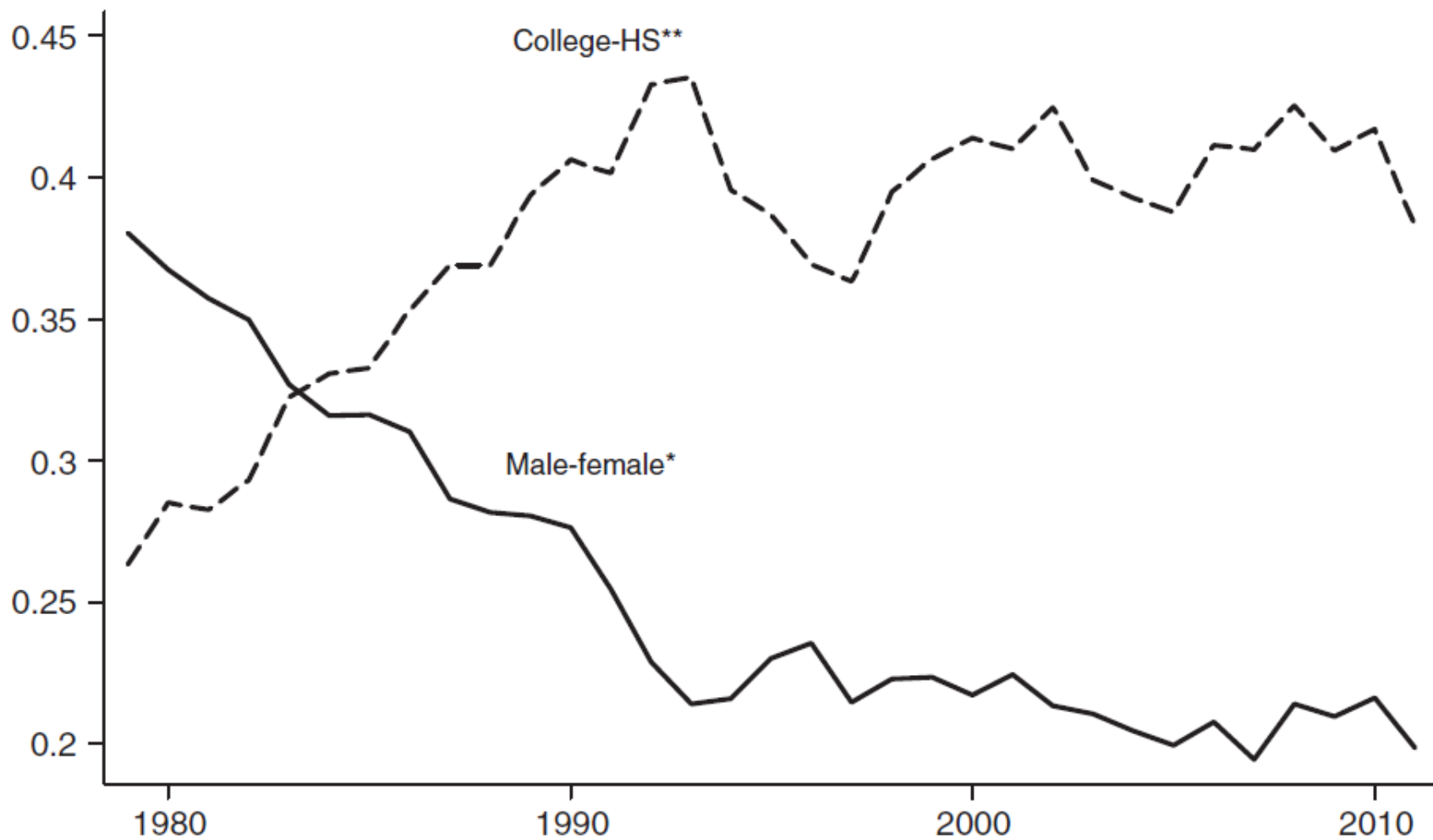


FIGURE 1. ADJUSTED MALE-FEMALE*, COLLEGE-HS** WAGE GAPS, 1979–2011

From Beaudry and Lewis (2014)

Or “Identification” Problem?

- Trends in public early education & maternal employment not strongly correlated
- But are trends masking a causal relationship?
- **Not holding constant** preferences, non-labor income, wages

Empirical Approach

- The correlation



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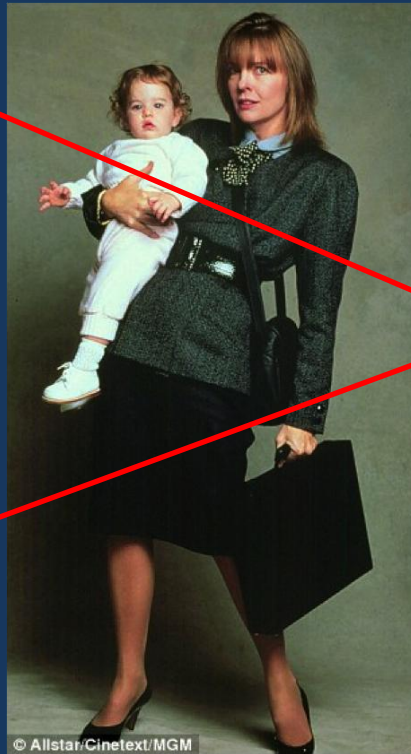
1980s



now

Empirical Approach

- The correlation



1980s



Empirical Approach

- The causal estimate



Empirical Approach

- The causal estimate



Control

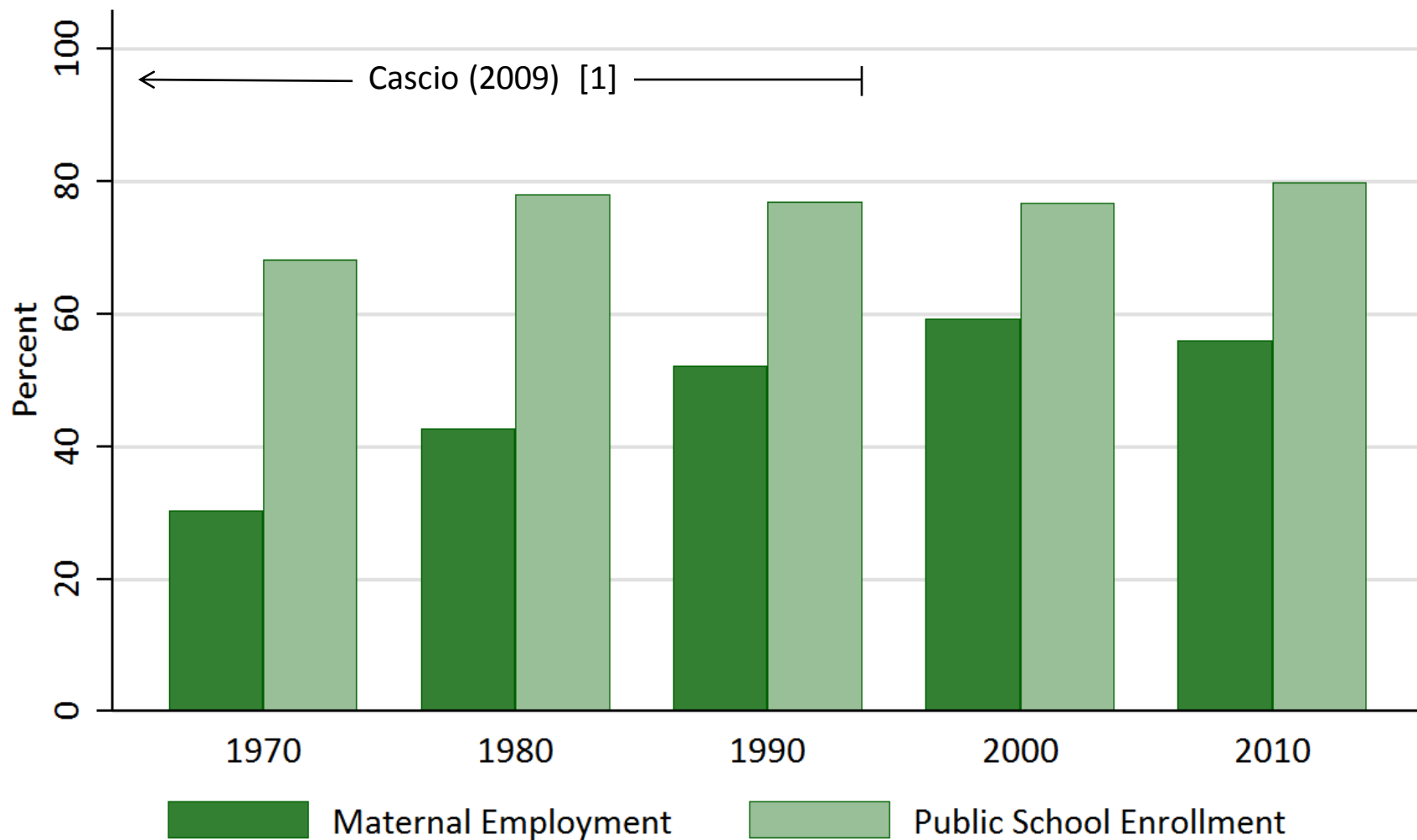


Treatment

“Quasi” Experiments

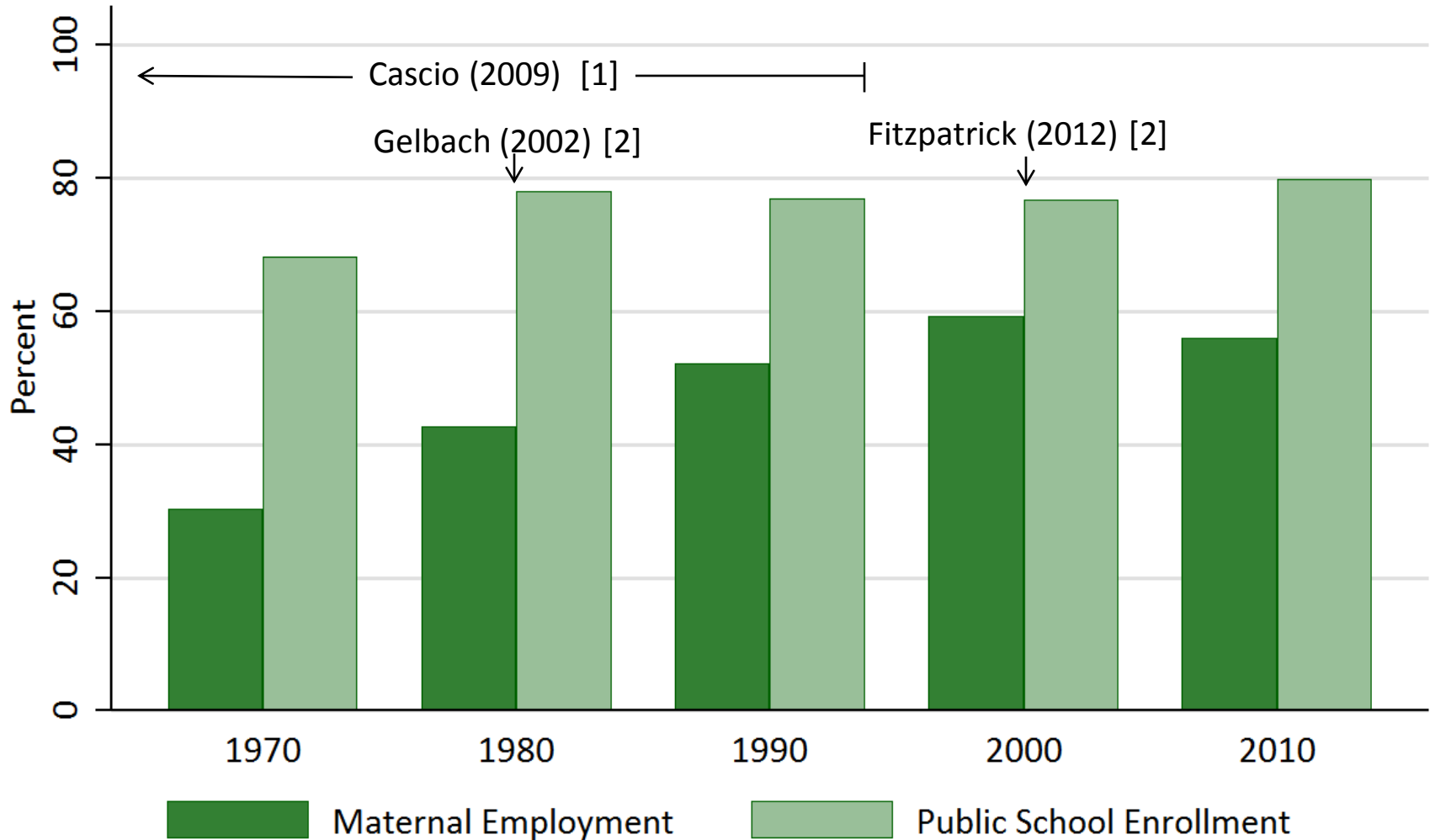
1. Take advantage of the establishment of public early education across cohorts
 - GA universal pre-K starts in 1995 → kids aged 4 in `95 are eligible, kids aged 4 in `94 are not
2. Take advantage of the age eligibility requirements for established programs
 - Aug. 31 cutoff for pre-K → kids aged 4 in Aug. eligible, kids aged 4 in Sept. are not

Timing of U.S. Studies on the 5-Year-Old Population



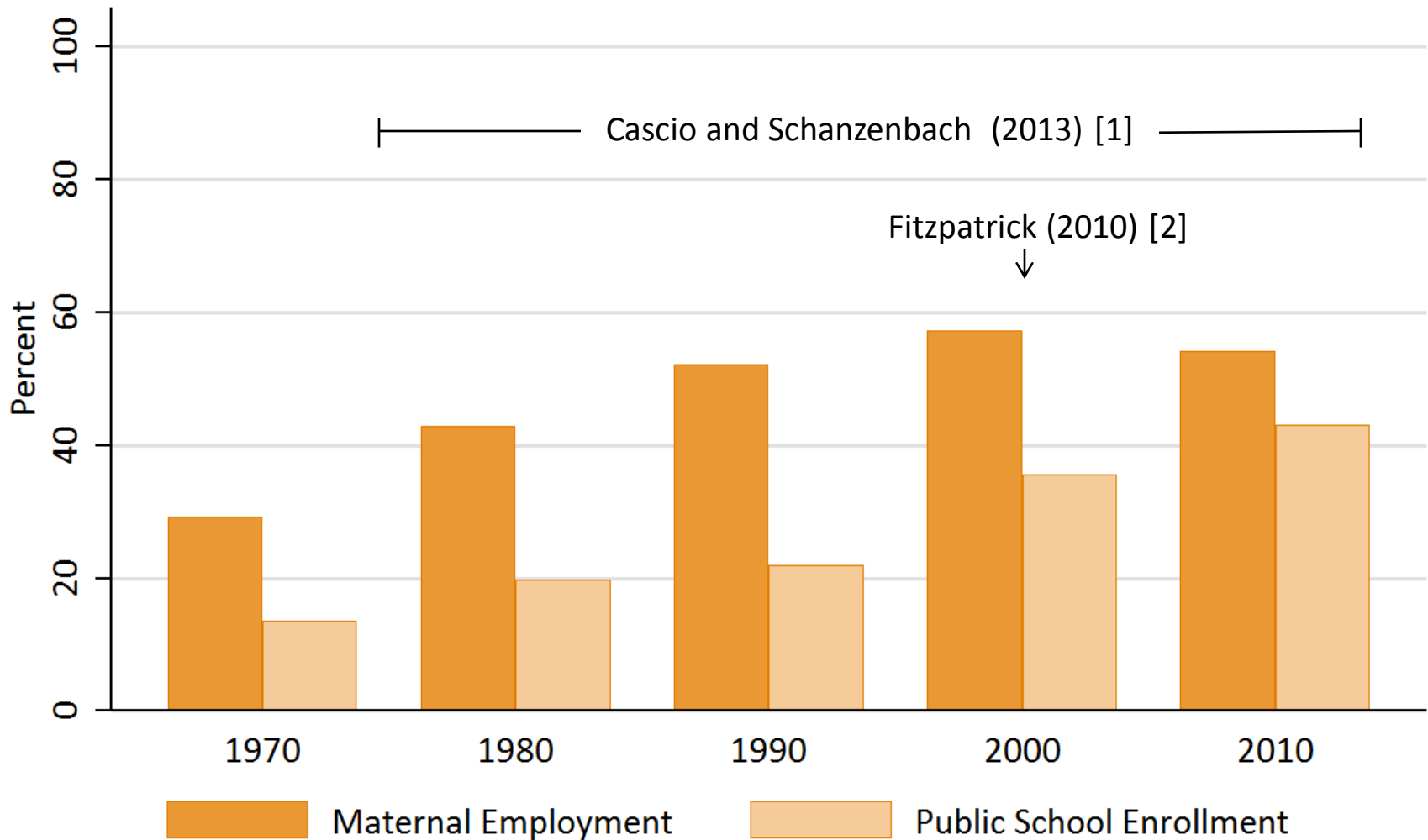
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Timing of U.S. Studies on the 5-Year-Old Population



Note: Author's calculations from the October CPS. Figures are 3-year moving averages.

Timing of U.S. Studies on the 4-Year-Old Population



Note: Author's calculations from the October CPS. Figures are 3-year moving averages.

Lessons

- Methods matter: obtaining causal estimates must be a priority

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- Labor supply theory is useful:
 - Guides identification of high-impact groups
 - Aids identification of mediating contextual factors
- The UK paper exemplifies lessons learned

Not a Full Policy Evaluation

- Impacts on “infra-marginal” mothers
 - Some receive an implicit income subsidy
 - Is this money spent in a way that benefits kids?
 - Might the financial relief improve mental health, and the quality of parenting?
 - Others can upgrade the childcare quality
- (Net) impacts on child well-being

Thank you!

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