Inequality in childcare use: what do we know and what do we need to know?

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2nd LIS²ER workshop
25 & 26 November 2021
Starting point

• Social investment is the dominant principle guiding social policies across Europe and beyond
• Provision of high-quality childcare is a cornerstone of such strategy
  • Employment effect
  • Development effect
• Should be in particular beneficial for disadvantaged children
• Regarded an efficient (‘cheap’) way to combat poverty and foster social mobility
• UNESCO: “the greatest of equalizers”
What do we know?
Spending on childcare services (in % of GDP), 2005 and 2015

FTE childcare service use (in % of GDP), 2005 and 2015
Inequality in FTE childcare use (0-2 yr olds)

Inequalities by education, household income, social class
Emerging comparative evidence on inequality by ethnicity

Own calculations on the basis of EU-SILC, waves 2005 and 2015. Inequality ratios are based on the mean FTE childcare use amongst children under three living in the highest income households to the mean FTE childcare use amongst children under three living in the lowest income households.
Quid parental leave?

Parental leave use ratio (high skilled / low skilled), 2005 and 2010

Matthew effect in early childcare

• In sociological research: a process of advantage/disadvantage that accumulates over time/life course, often originating in the lottery of birth

• Inequality in childcare participation by social background will serve to reinforce existing inequalities in the early life = the opposite of what is intended

• Importance of a macro-sociological perspective to spot and explain this issue

• But we need to know more!
  • Research often static, looking at cross-sections
  • Dire need for a dynamic and longitudinal perspective to model the process of amplification over time, and to examine what circumstances/policies mitigate the Matthew Effect over time
  • See also our (Parolin/Van Lancker) recent exchange with Ilze Plavgo and Anton Hemerijck in JESP
The role of supply and demand

- Is childcare inequality related to structural constraints in the availability and/or affordability of childcare services (*supply*)?
- …or to preferences of families with children (*demand*)?
- Preferences and social norms may drive childcare choices, and not only affordability and availability
- Norms and preferences shape policies, and vice versa

Supply and demand: multivariate results

Legend: social class I = Managers/professionals, II = White collar, III = Blue collar/elementary occupations.
Supply and demand

- In countries where the dominant norm is more against maternal employment, childcare service use tends to be lower overall.
- Yet, dominant norms do not explain inequality in childcare use.
- Structural constraints are a predictor of inequality in childcare use.
- If childcare places are rationed and/or expensive, the lowest incomes are disproportionately affected.
- Working parents (mothers) will benefit first and foremost from expansion of childcare places in a context of rationing.
  - Direct need
  - Social and cultural capital
  - Financial resources
The role of policies

• Associations between childcare inequality and policy indicators:

**Figure 2.** Regression results: the effect on childcare inequality of a standard deviation change in a covariate.

Inequalities at multiple levels

• The Netherlands: providers tend to follow demand and establish themselves in better-off neighbourhoods, which means that disadvantaged families have fewer opportunities to secure a childcare place of sufficient quality (Noailly and Visser 2009; Warner and Gradus 2011)

• Norway: “using administrative data covering every child in Oslo over a decade, we document substantial segregation, with indications that children from advantaged families cluster in higher-quality centres.” (Drange and Telle 2020)

• Germany: “evidence of pronounced, and even increasing, social inequalities by education and migration background intake-up of childcare institutions, especially for children under three years of age and with respect to full-day care also for older children” (Schober 2020)

• Flanders: Strong association with women’s employment: a rise in women’s employment with 1 percentage point is associated with a rise in the number of childcare slots with 0,7 percentage point the year after (Van Lancker and Vandenbrouck, 2020)
The story thus far

- Inequalities between families by SES and ethnicity
- Inequalities between countries
- Inequalities between neighborhoods within countries

- Strong evidence on inequalities in childcare participation and its changes over time
- Strong evidence on the role of socio-economic status and employment
- Good evidence on the role of social spending on childcare services
- Good notion of general patterns related to supply and demand
- Emerging evidence on ethnic cleavages in childcare use in European countries
- Hypotheses on the role of public v market-driven supply
What do we need to know?
More research into the role of policies

- Dire need for comparable indicators of childcare policies
- Complex issue:
  - Public versus private
  - For-profit versus not-for-profit
  - Supply-side or demand-side spending
  - Regulation and prioritization
  - Regional and local variations
  - Fee structures and subsidies
  - Interactions with leave schemes and education policies
  - Process and structural quality

- Almost all countries have a mixture of these different options, but the balance differs
More research into the role of preferences

- Individual preferences and childcare use in relation to the context and dominant norms
- Complex relationship with structural problems in the availability of childcare
  - E.g. if people prefer to stay at home, the current questions measuring structural problems will not pick it up
- EU-SILC ad hoc module 2016:
  - HC050 ‘Unmet needs for formal childcare services’ -> yes/no
  - HC060 ‘main reason for not making (more) use of formal childcare services -> no places available, cannot afford it, spatial availability, etc’:: But only for respondents indicating ‘yes’ on HC050
- Almost no datasets available including broader sets of questions on attitudes and childcare use
- Also issue of theory, e.g. Social Investment
More research into the dynamics of inequality

• Transitions and interactions between different institutions
  • Birth → leave → childcare → education → employment

• Longitudinal and life-course perspectives

• Policy perspective with due attention for heterogeneity of effects
Conclusion

- A lot of academic research work to do with respect to inequality in family policy: disentangling complexity, causality, policy design, dynamics of inequalities

- Limits to comparative research designs, increased focus on natural experiments, longitudinal studies and in-depth case studies with a due focus on complexity and political economy issues

- Better data and measurement