

How does day-care availability affect parental well-being? Disentangling contradictory mechanisms

Pia S. Schober* and Juliane F. Stahl**

*German Institute for Economic Research (DIW Berlin), Hertie School of Governance and Free University Berlin

** German Institute for Economic Research (DIW Berlin) and Max Planck Institute for Human Development

Abstract

This study investigates different mechanisms how the expansion of day-care places for under-three-year-old children in East and West Germany from 2007 to 2012 influenced the subjective well-being for mothers and fathers with a youngest child in this age group. A large body of literature has assumed that the availability of affordable non-parental child care should promote parental wellbeing by providing greater choice between different combinations of formal employment and family care. In fact, a few large-scale cross-sectional country comparisons and four longitudinal programme evaluations in different countries, provide very contradictory evidence on this question. Based on theoretical perspectives on role accumulation and conflict (Greenhaus & Beutell, 1985; Sieber 1974; Garhammer, 2002), we investigate more in detail the importance of mothers' job demands and resources, such as timing and intensity of labour market return, job flexibility, autonomy, and insecurity, which may mediate or moderate the effect of day-care provision. The empirical analysis links data from the Socio-Economic Panel for 2007 to 2012 and from the 'Families in Germany'-Study for 2010 to 2012 with administrative records on day-care use at county level from 2007 to 2012. We apply fixed-effects models and random intercept models to a panel of mothers with a youngest child aged under three years who are nested in counties. Preliminary results

suggest that maternal life satisfaction generally decreases from birth to age three of the child. This trend is less negative in counties with greater day-care availability. Furthermore, we find a positive association with maternal income satisfaction in West Germany, whereas the relationship is weaker in East Germany. The effects on life satisfaction appear to be less positive for mothers who return to work faster and for those who return full-time. We also find evidence of heterogeneous effects by maternal education level.