

EMPLOYMENT RESEARCH CENTRE

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**WHAT CHILDCARE CRISIS?
Irish mothers entering the labour force**

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Introduction

For decades feminists in Ireland criticised the lack of anything resembling a proper system of childcare. But nobody took much notice. Then, when the economic boom gathered pace in the late 1990s, childcare suddenly became a respectable issue. It was widely accepted that the lack of childcare was a major problem for Irish women who wanted to enter the paid labour force. And since suddenly the problem was not unemployment but labour shortage, then it became necessary to do something about this. The PPF for example, contained a commitment: ‘to enhance the opportunities and remove disincentives to participation by parents in economic and social activities through appropriate childcare’ (Department of the Taoiseach, 2000: 119).

In this report we take a sceptical look at these arguments. The available evidence suggests that in fact Irish women are going out to work in ever greater numbers, despite the ‘childcare crisis’. In other words, the link between the provision of formal childcare and women’s labour force participation is much weaker than is normally assumed.

The first part of the report uses available statistics (including some special tabulations kindly provided by the Central Statistics Office) to document that it is in fact precisely Irish mothers of young children who are increasingly going out to work. The second part of the report, based partly on interview material from ERC research projects on women in employment, explores how women are entering the workforce even though they have young children. The final part reviews childcare policy and suggests that the linkage of childcare and labour force participation is not just bad social science, it is perhaps rather dangerous politically, at least for women (and men) who care about proper childcare.

Who’s going out to work?

The usual argument is that falling fertility and rising women’s labour force participation are mutually reinforcing. If women choose to have fewer children, then they are more available for paid employment. If women have paid employment, then the rewards (both financial and emotional) of having children fall. Since it’s assumed that Irish women have fewer children than in the past, then presumably this is both cause and effect of rising labour force participation.

First fertility fell, then participation rose

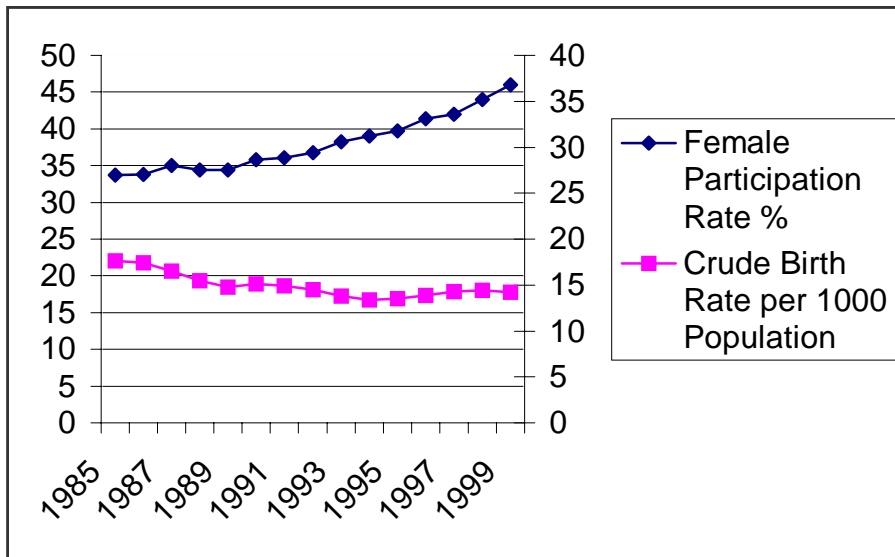
The major fall in Irish women’s fertility occurred in the 1980s (Chart 1). In the early 1970s Irish women had one of the highest levels of fertility in Europe. Despite the tenets of the Catholic Church, Irish women then began to have fewer children. In 1982 the TPF (Total Population Fertility Rate) was 2.96; in 1989 it dipped below the replacement rate of 2.1 for the first time and continued to fall for most of the decade. Although fertility is now rising slightly, it remains below the replacement rate. As the chart shows, this fall in fertility did happen before the major increase in women’s labour force participation.

Women’s labour force participation has been increasing steadily since the early 1970s, but accelerated in the 1990s. Thus whereas the proportion of women of working age who were in the labour force increased by about 3% in the ten years between 1971 and 1981, and again by the same proportion between 1981 and 1991, it increased by over 6% in only six years between 1991 and 1997 (Chart 1).

Chart 1 Birth rate and women's labour force participation, 1988-2000

Left axis: female participation (%);

Right axis: crude birth rate per 1000 population



Source: Derived from CSO Labour Force Statistics, 1999 and Eurostat Demographic Statistics 2000

These overall figures suggest therefore that one reason for the economic boom was a **new** pool of women able to join the labour force when the demand for labour increased in the 1990s (Fitzgerald, 2000).

Ireland – still a woman's place in the home?

But **which** women now go out to work? We now tackle this question by using data from the Central Statistics Office (CSO) as collected by the Labour Force Survey (LFS) and Quarterly National Household Survey (QNHS). In a country such as Britain women's employment expanded during the post World War II boom; the main growth came initially from women who returned to work (usually part-time) after they had reared their children. The graph of women participation in the labour force over the life cycle in the UK is still therefore 'bi-modal' – it peaks in the early 20s, falls slightly as some women leave work to have children, and then rises again as they return to work when the children are older.

This was possible because women were already having fewer children and most women had children relatively early in their lives. Women could therefore finish child-rearing and still have several decades in the workforce ahead of them. And since women had retained primary responsibility for childcare, there was no direct threat to the established division of labour in the home. Furthermore, most of these women worked in jobs that required minimal or low qualifications: semi-skilled work in manufacturing industry, routine clerical and service sector work. As women's employment expands in Ireland nearly half a century later, women are entering the workforce in a very different way.

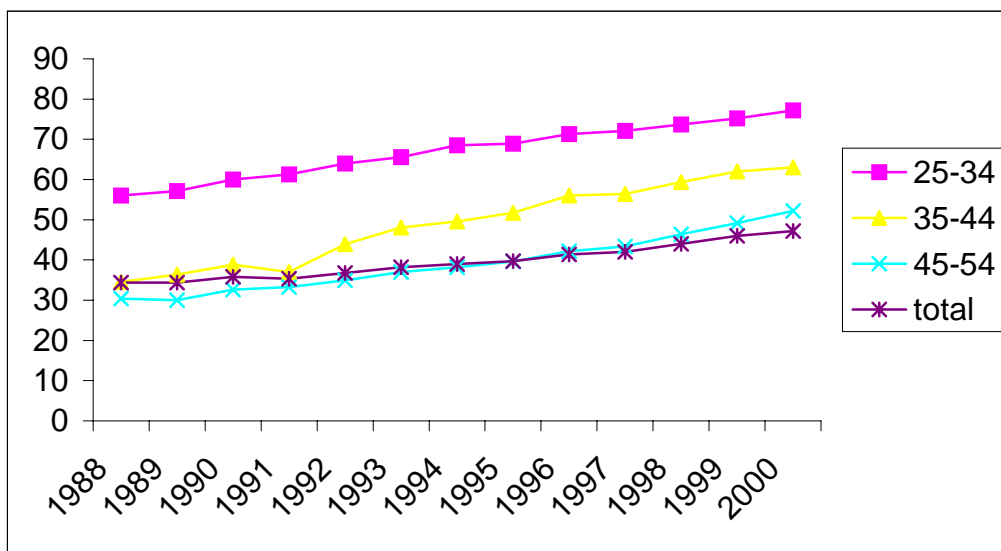
Even in the late 1990s, in international terms Irish women's labour force participation still appeared just below the European average. Thus according to the European Labour Force Survey (European Commission, 2000) in 1999 51.4% of Irish women of working age were in employment, as compared to 52.6% in the EU as a whole. Furthermore, those women who were at work were marginally less likely to work part-time than in the EU (30.6% as opposed to 33.5%). This picture of a still traditional situation is reinforced when we examine attitudes. According to the 1996 Eurobarometer *Employment in Europe* survey Irish women are more likely than

women in the EU as a whole to have ‘traditional’ attitudes to women’s employment. They are more likely than most other European women to support statements such as ‘A mother must give priority to her young child rather than to her work’ and less likely to agree that ‘It is as important for a woman as for a man to have a job’ (cited in Gallie and Alm, 2000).

Young Irish women are different

However, the picture changes dramatically when we focus on age. Chart 2 shows that participation rates have been rising for all age groups, with the younger groups having consistently higher participation. Over three quarters of women in the age group 25 to 34 are now in the labour force. Furthermore, this also suggests that once they have entered the labour force, women are now more likely to remain in paid work rather than leaving as they reach their 30s and 40s.

Chart 2: Female participation by age group



Source: Derived from CSO Labour Force Statistics, 2001.

The result is that young Irish women are at least as likely to be in employment as their European counterparts. Thus Table 1 shows that of Irish women aged 20-24 70.1% are in the labour force, as opposed to only 60.3% in the EU as a whole (1997 figures); for the age group 25-34 Irish women also exceeded the European average (76.4% as opposed to 72.5%).

Table 1 Labour force participation by age and sex, Ireland (2000) and EU (1997)

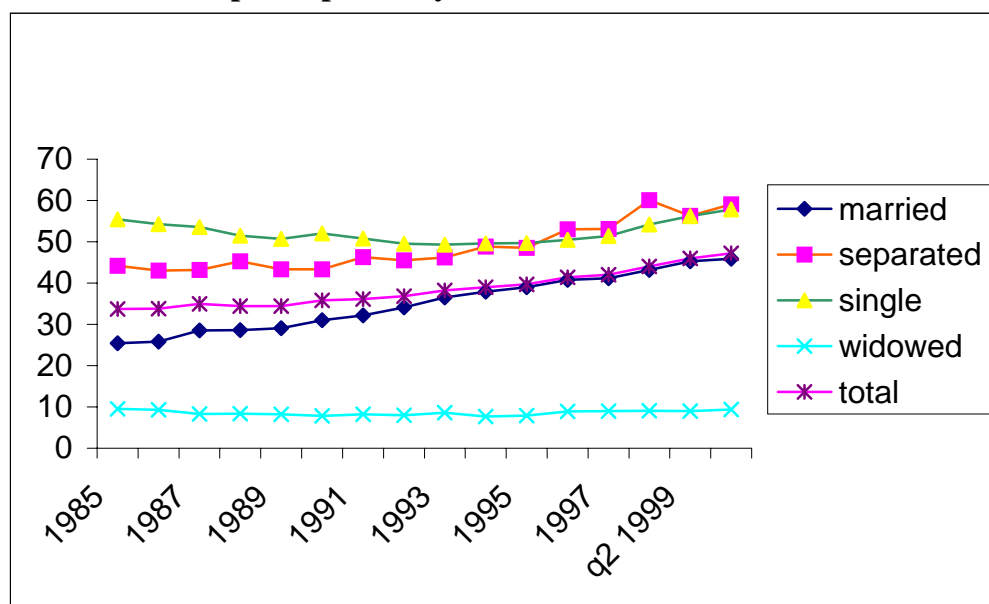
Age	Women		All women	EU Average All (1997)	Men
	Married	Single			All
15-19	-	27.2	27.2	23.8	34.3
20-24	64.8	70.3	70.1	60.3	79.0
25-34	65.5	86.0	76.4	72.5	92.2
35-44	59.7	82.6	63.7	69.9	86.7
45-54	50.7	70.9	53.4	62.7	73.6
55-59	33.1	48.2	35.3	14.7	60.0
60-64	18.2	33.4	20.2	4.3	50.7
65 and over	3.0	4.1	2.5	1.1	18.3
15 and over	46.1	59.2	47.9	45.3	67.7

Source: Irish figures from QNHS final quarter 2000;
EU figures from Ruane and Sutherland, 1999: 29).

More married women in the workforce

Furthermore, women are now much less likely to leave the labour force when they get married. Chart 3 shows the labour force participation by women of different marital status. It shows that whereas the participation rates of single and widowed women have been relatively stable over the last quarter century, married women's participation in the labour force has increased continually.

Chart 3: Female participation by marital status



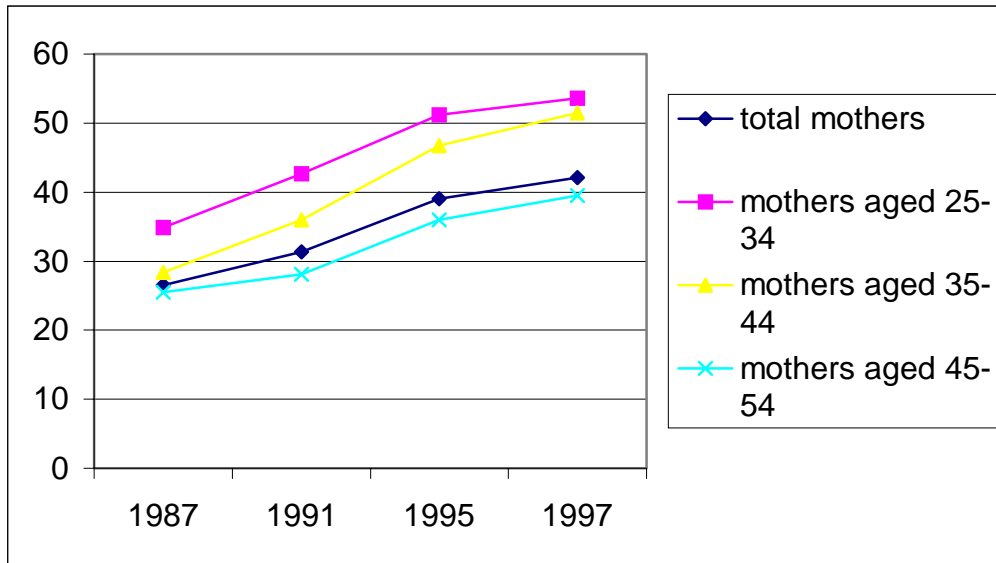
Source: Derived from CSO Labour Force Statistics, 2001

In the traditional British pattern described earlier, older married women returned to work. By contrast in Ireland today, it is young married women who are most likely to be in the labour force. Table 1 shows that of married women it is those aged 25 to 34 who have the highest participation rate. Since these years are the peak years for childbearing, this should immediately make us suspicious of any idea that it is Ireland's lack of childcare that is preventing women from working.

More mothers in the workforce

What really matters however is not marital status but parental status. Some women are having children later, and nearly a third of all births in Ireland are now outside of marriage (Fahey and Smyth, 2000). Chart 5 therefore examines the participation rates of mothers over the 20 year period from 1987 to 1997. In that period the participation rate of mothers increased from 27% to 42%. In 1997 four out of ten mothers were working compared to less than three out of ten 20 years previously. Chart 4 shows that the participation rates of all mothers have been rising, and that it remains young mothers who have the highest participation rate.

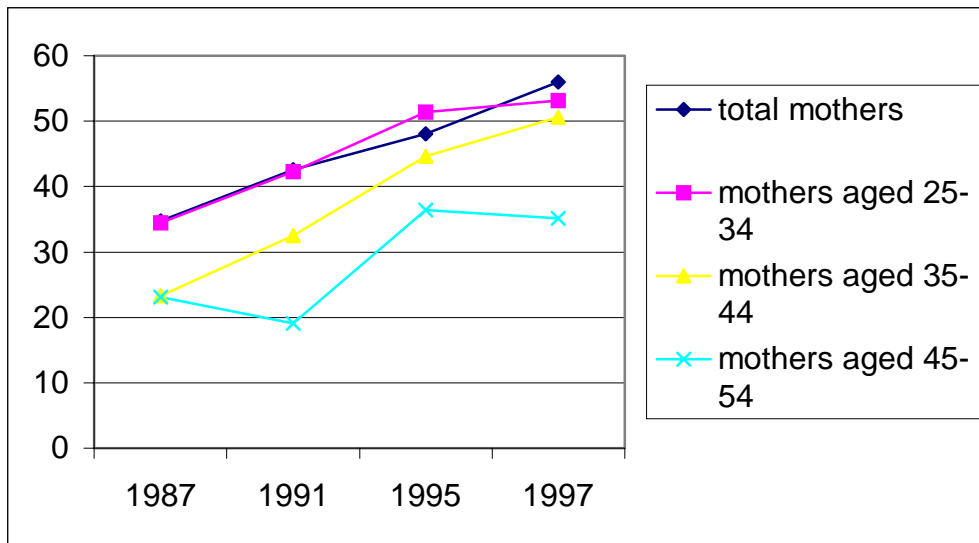
Chart 4: Participation by family situation and age group, mothers 1987-1997



Source: Derived from CSO Labour Force Statistics, 2001

Is it the case that women are returning to the workforce once their children are in school? And hence is school a cheap form of babysitting? Chart 5 focuses on women with children under the age of 5. It shows that mothers of young children also have increasing rates of labour force participation, particularly if they are themselves relatively young. It is not the case that the increased participation of women has been driving economic growth – it is the increased participation rate of **younger mothers** and **especially mothers with young children** that has been fuelling the Celtic Tiger.

Chart 5: Participation rates of mothers with at least one child under 5, 1987-1997

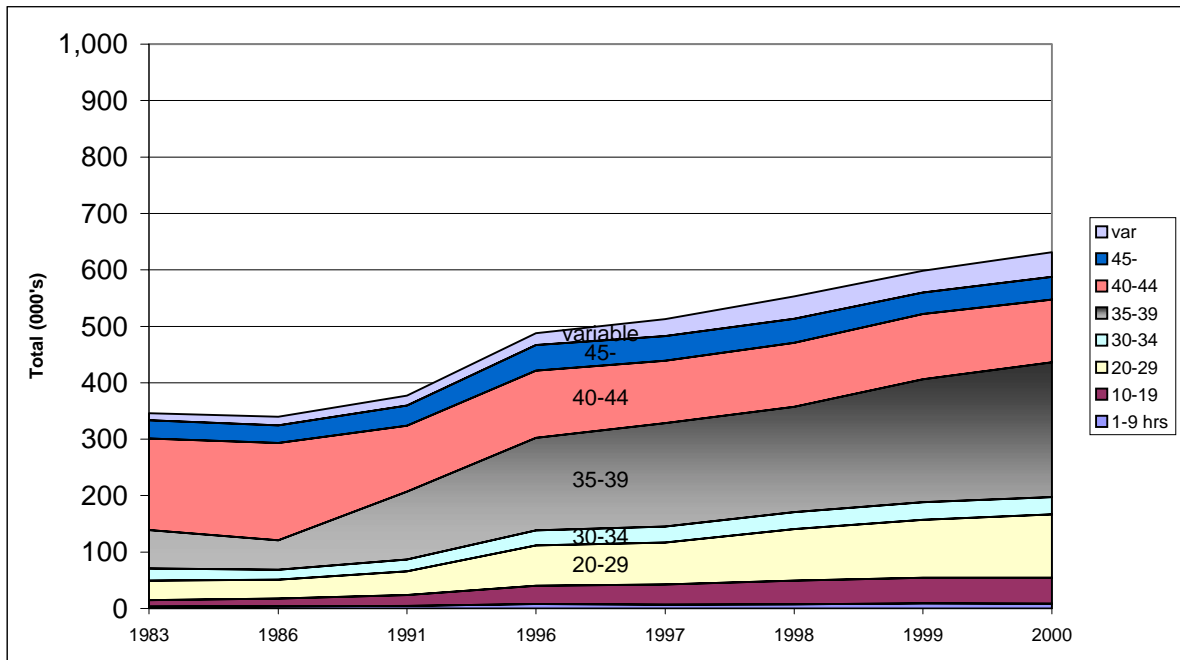


Source: Derived from CSO Labour Force Statistics, 2001

Most women work full-time

The growth in women’s employment has been overwhelmingly in full-time work. Chart 6 shows that although the actual growth rates for part-time work have been higher than full time work, in absolute terms it remains the case that the vast majority of women at work are working full-time (especially in ‘short’ full-time jobs of between 35 and 40 hours per week)¹. This suggests that as Irish women become more ‘normal’ in that they go out to work, they are also likely to be working full-time.

Chart 6 Hours per week: women, 1983-2000



Source: 1983-1997, Labour Force Survey; 1998-2000, National Quarterly Household Survey (from special CSO tabulation); all years using 'principal economic status' definition.

¹ Recent changes in working time in Ireland are analysed in the ERC’s first Labour Market Observatory report, ‘Changing Times: Working time in Ireland 1983-2000’ available at <http://www.tcd.ie/erc>

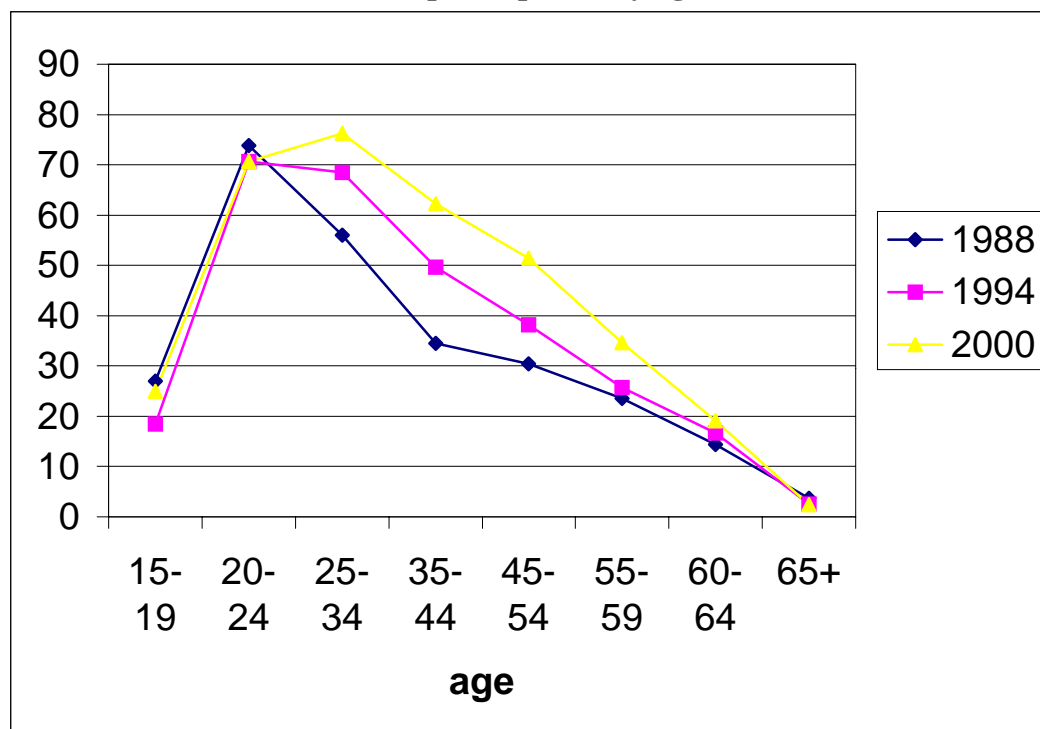
It has been suggested that Irish employers have, at least up until now, been unwilling to organise part-time work to suit women's own needs. Data from the early 1990s showed that, far more so than in other European countries, Irish firms initiated part-time work because they believed it allowed them to access cheaper or at least more flexible labour (Wickham, 1997). Consequently women who want to work part-time may not be able to find work that suits them, although of course the very tight labour market of recent years has probably made employers more facilitative than before.

Another factor promoting full-time work is the very lack of any state funded childcare system. Anecdotal evidence suggests that for many women it is not worth going out to work part-time given the costs of childcare. Evidence cited in the Report of the Expert Group on Childcare states that average childcare costs as a percentage of average earning at 20% are among the highest in Europe. If the 'profit' from the gap between the costs of childcare and the earnings from work is to generate any major addition to the household income, it is necessary to work full-time. The expense of childcare is also a disincentive to women whose earning potential is limited. Crucially therefore, the reliance on market solutions pushes women towards full-time work and penalises labour market participation by those with less remunerative skills.

Each successive generation is more likely to participate

The continued importance of full-time work for women has to be understood in terms of women's changing aspirations. Chart 7 shows women's participation by age between 1988 and 2000. It shows how Ireland has a 'Continental European' pattern in which participation declines with age (unlike the 'bi-modal' British pattern where participation of women aged 50 is about as high as for women aged 25). Yet in one sense this is an illusion. The women who are **now** 25 are unlikely to behave in the same way when they reach 55 as those women who are now aged 55. For several decades now, each cohort of women entering the labour market has been more likely to go out to work than their predecessors – and at every stage of their lives. This long term rise in women's labour force participation, in particular in married women's participation, has continued since the early 1980s, relatively independent of the economic cycle. Part of the explanation therefore lies in the supply side – this is what Irish women increasingly want to do, it is part of the enormous sea change in women's aspirations in the last third of the twentieth century.

Chart 7 Women's labour force participation by age, 1988-2000



Source: Labour Force Survey and Quarterly National Household Survey, using ILO employment definition.

If women increasingly see employment as something desirable in itself, this is not necessarily something they will do **instead** of having children. More generally, the factors that influence fertility are not identical with those that influence labour market participation. Thus Fahey and Smith (2000) have shown clearly that women's activity rate and fertility vary relatively independently of each other. For example, the Irish fertility rate remains higher than that of other European countries and is close to that of the USA. As Smith and Fahey remark, 'Ireland's position in this picture could perhaps be characterised as mid-Atlantic rather than wholly European' (249) – in this regard Ireland is closer to Boston than to Berlin! Yet the USA – with higher levels of fertility than any European country - also has activity levels which begin to approach Scandinavian levels. In fact, as Fahey and Smith stress, three Southern European countries (Greece, Italy, Spain) now have both **low** labour market activity by women **and** low fertility rates.

Such a comparison also shows that women's labour force participation does not depend directly on the form of childcare. Thus the USA, with no state provision of childcare, has higher activity rates than France where state support for women in the workforce has long been part of social policy (Crompton & LeFeuvre, 2000). Conversely, Portugal, a 'Southern' and Catholic country has a much higher level of women's labour force participation than Ireland, but absolutely no childcare system. In order to understand such paradoxes, it is necessary to actually talk to women who are negotiating their way in the Irish labour force.

Staying in the workplace, even with children

One major constraint Irish women face is the lack of institutionalised childcare. Yet women are managing to work full-time and juggle the care of children. Two

interviews from the ERC's study of women in service sector employment² make the point:

Marianne³ has four children aged between 18 months and 12 years of age. Even though she has never availed of state-provided childcare, she has managed to co-ordinate the care of her children by accessing familial and friendship networks:

I have someone who comes in to the house 8 o'clock, that's why I was able to keep working. We were very lucky, we've four children, three of the children are all in school from 12 to 2:30. My husband is good with the children, he does a lot of the work in the house, and my husband is more flexible than me and he can bring them to school in the afternoon. I have a friend who lives around the corner and she collects the youngest one and my mum collects the seven year old and walks her home. The eldest boy is able to walk home himself so we don't have a problem there.

Another example: Orla was a full-time homemaker for three years but has been working full time in retail for the last 19 years:

Orla My husband was out of work and I went down and went looking for work...and they asked me to start on a Thursday and I said no, I had to organise the girls, so that was it.

Interviewer: So how did you organise your daughters?

Orla: A girl two doors up was minding them. I had only planned to work for six months to get me teeth done, because after I had my second daughter I needed fillings and so on. I had planned to leave work after six months and she would go to work for six months but it fell through anyway. She got pregnant again so my husband decided to take over full time minding then and he did that for four years before he got a job.

Lack of institutionalised childcare does not automatically discourage Irish women from working. Instead, many are utilising networks of family and friends, as well as private childcare, to manage their childcare needs.

At the same time, Irish women cannot simply ignore the Irish institutional structure. Orla and Marianne wanted to work in the labour market, but in order to do this they could not turn to the government for support as women in other European countries might have done. Instead they had to access networks of friends and relatives. Orla's husband stayed at home so she could work; Marianne continued to work full-time despite having four children. Such women have therefore not only operated within the constraints of the system, but at some level have challenged them.

According to a recent (1998) study by the ESRI, 17% all children under 9 have some paid childcare. Depending on the mother's employment situation, this ranges from 16% where she is primarily involved in home duties, 39% for part-time employment and fully 58% for full-time employment (cited in Ruane and Sutherland, 1999: 82). Paid childcare takes many forms, mostly not involving formal institutions at all. Thus a recent ERC study of the gardai reported that a representative sample of gardai aged 25 to 34 with children and whose partner was in paid employment used a variety of forms of childcare, ranging from having a childminder in the childminder's own home (40%) through paying a relative (26%) to using a crèche (10%).

But what about those mothers who do not have paid childcare? Twenty seven percent of children aged between 0 and 4 whose mothers work full-time do not access

² Project Servemploi, Innovations in Information Society Sectors – Implications for Women's Work, Expertise and Opportunities in European Workplaces - project within the Targeted Socio-Economic Research (TSER) programme of the European Commission.

³ Names are pseudonyms.

paid childcare (Expert Working Group, 1999: Table 2.2), so presumably these children are being looked after by unpaid family members. The Equality Authority considers that given the lack of formal childcare, it is in fact older women who are now bearing the burden - caring for their grandchildren instead of enjoying their retirement.

Childcare policy

Amongst Irish women's organisations and Irish feminists generally it has been axiomatic that Irish women's low labour force participation can be partly explained by the low level of childcare. Almost uniquely in Europe, Ireland has virtually no state provision of pre-school childcare and no tax credits for childcare expenses. For over a decade, the achievement of equal opportunities has therefore been linked to improvement in childcare (e.g. McKenna 1988).

Despite a series of reports, the government did virtually nothing to change this situation during the 1990s. Indeed, an attempt to regulate the private childcare sector paradoxically led to fewer official childcare places. At the end of the decade however, shortage of labour rather than unemployment began to be an economic policy issue. The Expert Group on Skill Needs also argued in favour of improved childcare as a means of improving the labour supply (Expert Group, 2000: 32). Childcare was included in the PPF, having not been mentioned in any of the previous national agreements, and the government committed itself to completing its strategy on childcare by the end of the year 2000. Budget 2000 allocated £46m towards childcare provision.

This change of policy – such as it is – has occurred because of concerns for labour supply rather than concerns of equity. Yet it is curiously half-hearted and by itself will hardly produce any major change in childcare provision in Ireland. What will happen – and arguably this is what the more far sighted members of the government actually want – is the increasing marketisation of childcare on the American model. Parents with good financial resources will more and more buy childcare on the formal market. And if this market grows, a larger share of the ‘top end’ will be taken by commercial concerns rather than individual (if taxed) childminders. Meanwhile, selected ‘excluded’ communities will be the recipients of government largesse for subsidised childcare. In the middle most parents will muddle by, buying childcare from time to time, persuading an older relative to lend a hand, paying neighbours for a favour. This despite the argument of the Expert Group on Childcare that quality childcare is not only the right of every child, it also contributes to saving money in the longer term (Expert Group, 1999: 53 and 115).

In terms of policy there are now cracks in the consensus. For trade unions improved childcare is now seen as a crucial issue. Trade unions argue that the cost of housing alone compels both partners in a marriage into employment, yet the lack of childcare imposes enormous strains and costs. For the Equality Authority too, adequate childcare provision is central to achieving equality within the workplace.

Employers' representatives however tentatively suggest that childcare is **not** now a major impediment to women's labour force participation. Women who wish to work have, so it they argued, now made appropriate arrangements. In particular employers are wary of making major investments in workplaces crèches which then turn out to meet only a short term need.

What seems to be missing in this debate is much discussion of the linkage between the form of childcare provision and the extent of inequality in the wider society. As Gershuny in particular has pointed out, privatised childcare is both consequence and cause of greater social inequality in the wider society. Privatised

childcare facilitates long working hours for the better off, and low paid, low skill employment for the poor (Gershuny, 1999).

Conclusion

It has been said many times that the Celtic Tiger should really be called the Celtic Tigress. Maybe we should go one further and call it the Celtic Lioness: the lioness goes out and hunts, but also rears her cubs with the help of her extended family.

Our analysis suggests that those who want good childcare for their cubs would be well advised not to rely too much on arguments of economic policy. There really is no point in claiming that proper childcare is needed **so that women can enter the labour force**. Irish women, and in particular Irish mothers, are entering the workforce in increasing numbers – without the help of formal childcare. Indeed for some the penny has now dropped - employers realise that they do not necessarily have to support, let alone provide, childcare facilities to ensure that women work for them. If the demand for proper childcare is presented purely as a **means** to increasing the labour supply, then the risk is that since women can do without it, it can be argued that there is in fact no need for it. Furthermore, if the demand for childcare is presented as a solution to the labour shortage, then if and when unemployment returns, so the justification for a state-funded system of childcare falls away.

An alternative position would see childcare as an issue of **rights**. Rights for parents, rights for children - and rights are not matters of economic convenience. At the moment in Ireland women (and some men) are juggling work and children in the most complex manner – often at incredible cost to themselves and probably not to the benefit of children either. Adequate childcare provision is not about economic growth at all costs, it is rather a way of spreading the caring burden in an enlightened and democratic manner.

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