Across the globe, governments have expanded access to childcare and preschool programs through education subsidies, as more evidence points to the positive effects of such programs. Elizabeth Dhuey, Jessie Lamontagne, and Tingting Zhang examine the effects on mothers’ labor supply on the rollout full-day kindergarten in Ontario, Canada. Their work is published in vol. 16 issue 4 of EFP.

The Study

In September 2010, and in the four years following, the Canadian province of Ontario began to rollout a full-day kindergarten program for all children aged 4 and 5 years. This replaced a half-day kindergarten program. Using data from the monthly Canadian Labour Force Survey, administrative data, student test scores, and geospatial data, the authors estimate the impact of the move to full-day kindergarten on the labor market outcomes of mothers with children aged 4 and 5 years.

Findings

The authors find no change in labor force participation, employment, or rates of mothers with four- and five-year-olds holding a full-time position. However, the authors do find increased numbers of hours worked and decreased absenteeism of those mothers. Effects are concentrated within subgroups including native-born Canadians, those residing in urban areas, those with lower-education levels, and mothers with only one child.

The authors conclude that making early childcare more affordable through an education subsidy resulted in some positive maternal labor market outcomes. They emphasize the need to recognize the contextual factors moderating policy effects and suggest that more targeted policy interventions may be more effective than universal subsidies in certain situations.

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