

Gillian Paull, Institute for Fiscal Studies, ICMEC Seminar, 15th December 2008

Comments on “Childcare, Choice and Social Class” by Vincent, Ball & Braun

Two issues:

(a) Childcare market is different (peculiar) from other markets:

- What, fundamentally, makes the childcare market peculiar ? (economic framework)

(b) Working class mothers make different choices from middle class mothers in the childcare market:

- Are the cause of these class differences peculiar to childcare ? (more questions than answers)

(a) What, fundamentally, makes the childcare market “peculiar” ?

1. Nature of the product is difficult to observe:

- hard to see or measure “safety, happiness and love”
- “highly segmented and diverse”: options very discrete and hard to compare

2. Large degree of risk aversion:

- cannot risk trying out untested options
- care needs to be “good” from very first purchase
- limits the ability to switch providers

3. The buyer-seller relationship is part of the product:

- needs to be good for the sake of the child
- the need for continuity in care for the child implies a need for a (longer term) stable relationship between parent and provider
- complicated by parents having limited experience in this relationship - unusual
- complicated because “relationship is both a financial and emotional exchange” - unusual

Not so peculiar:

- supply-side led –particularly in markets with high entrance costs (e.g. post office)
- poorly paid and qualified workforce – not inherent to the nature of childcare: may be due to historically low valuation of childcare and/or demand for low cost care
- parents as employers – not so unusual (e.g. home cleaners, piano teachers)

Issues: other peculiarities:

- dual purpose of childcare – providing childfree time for parents and developmental value for children (problematic for economic modelling)
- social nature of the outcome –private choices may not be socially optimal

(b) Are the causes of the class differences in childcare choices unique to childcare ?

Differences in childcare choices / 'circuits' of provision:

- middle class: complex and dynamic market; consumers active and well-informed; variety of care in private and state sector
- working class: more uniform; low key consumer activity; mostly state/voluntary sector daycare

Reasons for differences that are unique to childcare market:

1) Product hard to observe → different concerns about childcare:

- working class emphasise safety in nurseries, more concern for physical neglect or harm from childminders
- middle class value intimacy in non-institutional arrangement; more concern for emotional neglect in nurseries
- related to different aspirations ? different levels of care within home/social network ?

2) Product has a dual purpose → different needs from childcare:

- working class see carers as professionals who could further children's development (educational value)
- middle class mothers see nursery as different but not better experience for children than being at home (childfree time)
- related to different perceptions of motherhood ?

3) Some types subsidised → working class in paid employment dependent upon childcare element of WTC more easily used in daycare

Reasons common across other markets:

- middle-class have more financial resources and can use greater variety of options (greater incentive to be active and well-informed).
- middle-class more willing to exit: more confident can find a better alternative

Issues:

- Are these class differences present both for non-employed and employed mothers ?
- Could these class differences be specific to the area studied ? (greater emphasis on informal care for working class employed mothers in other research)
- How much are the different "circuits" of provision self-reinforcing by social norms ?
- Should / how can policy try to make the choices "equal" ? Or should it recognize these differences and support a variety of preferences ?