



Labour Market Matters

Special points of interest:

- Study finds that women who live near their mothers are more likely to be in the workforce than women who live far away, or co-reside with their mothers.
- Age of arrival found to be a strong predictor of immigrant fertility patterns. Level of educational attainment also a strong factor.

“[T]o better understand labour supply decisions of women we need to consider not only whether women have children but also whether women have mothers in close proximity”



Janice Compton
(University of Manitoba)

Volume 4, Issue 7

July 2012

The “Mom Effect”:

What living close to mom means for a woman’s labour market potential

Proximity to family can have a significant effect on the labour market decisions of women. A mother living nearby to take care of grandchildren could allow a woman to work more as it alleviates the childcare burden. On the other hand, proximity to an elderly parent could mean that a woman will become a primary caregiver for the parent – thereby curtailing labour market opportunities. A paper by CLSRN affiliate Janice Compton (University of Manitoba) entitled **“The Mom Effect: Family Proximity and the Labour Force Status of Women in Canada”** ([CLSRN Working Paper no. 87](#)) examines the patterns of family proximity in Canada and quantifies the effect of close proximity and co-residence on the labour force participation of women. The study suggests that the relationship between proximity and labour supply is due to transfers of care and therefore focuses on women and their mothers or mothers-in-law as transfers of care tend to be gendered. The main focus of the paper is the labour supply of women aged 45-60. Although it would be preferable to have a younger age cohort, this is the only data available in Canada with both labour and proximity information. Recent studies on the U.S. and Europe find similar results with younger cohorts.

To the extent that individuals and couples migrate largely for economic reasons the researcher expects that in the long run, individuals who live away from their mothers would be more strongly attached to the labour force than those who have never migrated. The opposite is found, but only for women with young children in the household. Using Cycle 21 of the Canadian General Social Survey, the researcher finds that compared to their counterparts living in the same neighbourhood or surrounding area as their mother, married women with young children who live more than half a day away are 11 percentage points less likely to work, and both married and unmarried women with children work fewer hours per week when they live away from their mothers. The researcher hypothesizes that the findings are due in part to an insurance effect – grandparents are nearby and available to watch the kids during unforeseen events (e.g. a sick child is sent home from school) or during times when it would be difficult to purchase childcare (e.g. a mother is sent on a business trip overnight). Even if such childcare is never needed, its availability may affect the labour supply choices made by mothers.

While close proximity has a positive effect on labour market attachment, there is a negative

correlation between co-residence and labour supply. Co-resident married women without children are 16 percentage points less likely to be in the workforce compared to those in the surrounding area. However, there is evidence that the causality for co-residence runs the opposite direction – co-residence is influenced by a mother’s need for care and she may co-reside with an adult child who is not attached to the labour force.

This study has demonstrated that proximity to mothers affects the labour force attachment of women. Across Canada, those living in B.C. are least likely to live near their mothers and benefit from the availability of childcare; those living in Atlantic Canada and Quebec are most likely to have mothers in close proximity. The study suggests that the labour supply model for women is not only couple-based but to some degree intergenerational, and that to better understand labour supply decisions of women we need to consider not only whether women have children but also whether women have mothers in close proximity. Policies such as retirement policies, that are aimed at one generation may have unanticipated effects for the next, and these effects are likely to differ across regions.

Immigrant Fertility Patterns and Age of Migration

In Canada, international migration was responsible for approximately two-thirds of total population growth (1991 through 2006) and was the main contributor to Canadian labour force growth (over 70%). Immigration is a key factor to sustaining current levels of public services in Canada in the context of low population growth and the aging of the baby boom generation. This strategy not only relies on the direct relief that new entrants provide, but also on the ability of immigrants to economically assimilate into Canadian society. The interplay of fertility and immigration rates in this context has an important role in determining the future economic growth of Canada. While high fertility rates among first generation immigrants may help boost overall fertility rates and sustain population growth, they could also hinder the economic assimilation of female immigrants and impact the economic wellbeing of immigrant families and the human capital investments of their children. On the other hand, highly educated immigrants may exhibit low fertility behaviour depressing the rate of population growth but will, presumably, integrate better in the economy.

CLSRN affiliates Alicia Adsera (Princeton University) and Ana Ferrer (University of Calgary) use Canadian Census data from 1991, 1996, 2001, and 2006, to examine the fertility behavior of immigrant women who arrived in Canada before adulthood and compare it to that of the native born in a paper entitled **“Age at Migration, Language and Fertility Patterns among**

Migrants to Canada” (CLSRN Working Paper no. 91). They find that immigrant fertility is generally higher than that of Canadian born women and uncover an increasing relationship between fertility and age at immigration meaning that, the later women immigrate to Canada, the more likely they are to have more children. Early arrival affords an individual more time in the host country and increases the likelihood that the young migrant attends school and understands early in life the rules and institutions governing the socio-economic life of the receiving country. The researchers find that this increasing fertility profile is present among immigrants coming from different cultural backgrounds, although their actual fertility levels vary by country of origin.

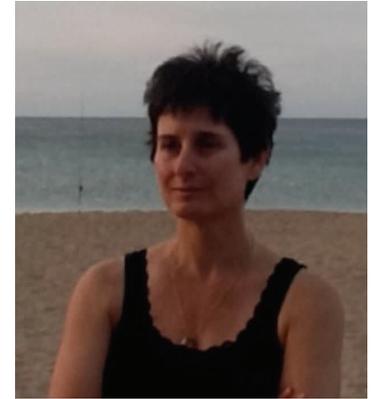


Alicia Adsera
(Princeton University)

Immigrants from the Middle East and South America show high fertility rates even if arriving at a young age (before school age), approximately 20% higher than the native born, while immigrants from Africa and South Asia have relatively low fertility rates if

arriving young - 10% lower than the native born - and immigrants from the rest of Asia have very low fertility rates if arriving young - 20% lower than the native born. In addition, Asian immigrants from areas other than South Asia exhibit relatively low fertility at all ages at immigration compared to other immigrants. As a result the fertility behavior of the older arrivals in this group (16 to 18 years of age) is closer to that of the native born than that of younger migrants. The researchers suggest that a plausible explanation for this finding is that Asian immigrants put strong emphasis in the educational outcomes of their children. To the extent that education and fertility are highly correlated, young Asian immigrants will show lower fertility through the influence of their parents “push” towards higher education.

“Early arrival affords an individual more time in the host country and increases the likelihood that the young migrant attends school and understands early in life the rules and institutions governing the socio-economic life of the receiving country.”



Ana Ferrer
(University of Calgary)

The working paper also explores some plausible mechanisms to account for the positive association between fertility and age at immigration. Education appears to be a stronger determinant for fertility convergence between immigrant and native-born individuals, than level of language proficiency. Immigrants that achieve post-secondary education show fertility patterns that are almost identical to those of the Canadian-born regardless of their age of arrival. Child immigrants who do not pursue post-secondary education, however, show higher rates of fertility than the native born population, and their fertility rates clearly rise with age at immigration. Because differences are the largest for late teenager arrivals, the study suggests that arriving during these formative years may crucially impact their ability to adapt either to the school system or to local norms regarding fertility. In any case this finding highlights the importance of further disentangling the relationship between education and fertility among child immigrants.

Endnotes

Labour Market Matters is a publication of the Canadian Labour Market and Skills Researcher Network (CLSRN). The CLSRN is supported by the Social Science and Humanities Research Council of Canada (SSHRC) under its Strategic Research Clusters program. Opinions expressed in this publication do not necessarily reflect the views of the SSHRC.

Articles in *Labour Market Matters* are written by Vivian Tran - Knowledge Transfer Officer, CLSRN, in collaboration with the researchers whose works are represented. For further inquiries about *Labour Market Matters* or the CLSRN, please visit the CLSRN Website at:

<http://www.clsrn.econ.ubc.ca> or contact Vivian Tran at: Vivian.Tran@ubc.ca