



Labour Market Matters

Special points of interest:

- Extra parental childcare found to give little added-benefit to children in their first year of life
- Early childhood health problems found to have significant impact on adult socio-economic outcomes if these health problems persist into adulthood.

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Michael Baker
(University of Toronto)

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Will baby miss you if you go back to work? More parental care in the first year may not have an effect on early childhood development

Many parents believe that one-on-one parental child care particularly during the first few years of life is intrinsically better for the development of their children than other forms of childcare – such as organized childcare centres or private daycare. Programs to expand the duration of maternity and paternity leave are therefore quite popular. At the end of the year 2000, the duration of job-protected, partially compensated, maternity leave increased from roughly six months (25 weeks) to one year (50 weeks) in most provinces. In a new study entitled [“Evidence from Maternity Leave Expansions of the Impact of Maternal Care on Early Child Development”](#)¹ Michael Baker (University of Toronto) and Kevin Milligan (University of British Columbia) try to determine what effect if any, extra parental care has on early childhood development (development from birth to age 2).

Using data from the National Longitudinal Study of Children and Youth (NLSCY), on children born in the years surrounding the reform in the years 1998 through 2003, the study measured the impact of parental child-care on early child development outcomes such as “child temperament”, which include, for example: how easily child gets upset, how much crying, difficulty to calm,

how often irritable, how much smiling/laughing, average mood, and moodiness. The study also examined the impact of parental child-care on various measures of “child security”, which include, for example: response to new things, response to new person, response to new places, how much attention required and over-all difficulty of child. Finally, physical development indicators were examined: motor skills, sitting up and taking first steps.

The researchers found that among mothers who took leaves, there was an increase in the time at home postbirth of around three months or over 50 percent of the pre-reform level of parental leave. This increase in time at home primarily displaced full-time work and unlicensed care provided in someone else’s home. However, even with these extraordinary changes, the researchers found little evidence of a change in child development. The researcher’s estimates indicate that the family atmosphere is unchanged from this extra maternal care provided to a child, and the temperament and motor-social and development milestones of the child him or herself respond little to the extra maternal care.

The primary conclusions drawn from this study are surprising. Many would expect that increased one-on-one parental childcare would at least have some observable impact on early childhood development; but the



Kevin Milligan
(University of British Columbia)

study found that the increase in maternal care observed after the policy reform had little effect on child development up to two years of age. The researchers note however, while there were no observable benefits to child development up to age 2, developmental benefits to the children as they grow older should not be ruled out. Accordingly, Baker and Milligan plan to continue their study of the effect of increased maternal childcare on children as these children move through different stages of development, the results of which are expected to be released in future studies in later years.

¹ Michael Baker and Kevin Milligan “Evidence from Maternity Leave Expansions of the Impact of Maternal Care on Early Child Development,” *Journal of Human Resources*. Volume 45. Issue 1



Janet Currie
(Columbia University)

“[H]ealth problems in early childhood, if allowed to persist into adulthood may be significant determinants of adult socioeconomic status.”



Mark Stabile
(University of Toronto)

Poor childhood health can affect adult socio-economic outcomes

Could low-weight at birth mean below-average school performance at age 17? Could childhood asthma, or major injury mean a greater likelihood that an individual would rely on social assistance in adulthood? In a country as rich and developed as Canada, could poor health at birth and early childhood increase the likelihood of experiencing socio-economic hardship in adulthood? A growing body of research suggests that adverse health conditions in early childhood may have far-reaching detrimental effects in adulthood. Some scholars hypothesize that this is because good health complements the acquisition of skills and further skills are built upon already acquired skill; therefore, children who suffer early health disadvantages may fall behind and never catch up. Other research has shown a strong connection between birth weight and future outcomes. On the other hand, to the extent that children are resilient and recover, it might be expected that more recent health conditions would have a greater impact on current developmental outcomes. If both mechanisms are at work then one might expect to find that both health problems in early childhood in combination with more recent or persistent health problems will have particularly negative impacts on adult outcomes.

In their study *“Child Health and Young Adult Outcomes”*, CLSRN Affiliates Janet Currie (Columbia University), Mark Stabile (University of Toronto), Phonsack Manivong (University of Manitoba) and Leslie Roos (University of Manitoba) examine how health problems after birth affect adult outcomes using data from public health insurance records for 50,000 children born between 1979 and 1987 in the province of Manitoba.

The researchers compared children to their siblings. Childhood health factors the researchers examined include: ADHD, Asthma, major injury, and low birth weight. Development outcomes examined in the study include: adulthood reliance on social assistance, performance in Grade 12 (age 17), College math performance, and literacy score. The study found that health problems in early childhood are significant predictors of young adult outcomes. Early physical health problems are found to be linked to adult outcomes primarily because they predict later health. Early mental health problems have an even stronger effect on adult development outcomes.

The study yielded several striking conclusions. First, both poor health at birth and early mental health problems are associated with poorer long-term outcomes. Second,

physical health problems in early childhood are found to be associated with poorer long-term outcomes, but the researchers find that this appears to be because they predict poorer future health. Importantly, the researchers found that serious early health problems appear to have little association with future educational attainment or reliance on welfare, if these health problems do not persist over time into adulthood. The researchers find that this is true of both major injuries as well as illness. Notably, the researchers found very little effect of childhood asthma on the adult outcomes examined.

Overall, the researchers concluded that health problems in early childhood, if allowed to persist into adulthood, may be significant determinants of adult socio-economic status, even in a country like Canada where all children have access to health insurance. Hence, prevention and better care for children who have early health problems could make a significant difference to their life prospects.

¹ Janet Currie, Mark Stabile Phonsack Manivong, and Leslie Roos, “Child Health and Young Adult Outcomes,” *Journal of Human Resources*. Volume 45, Issue 3.

Endnotes

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