

The Mom Effect: Family Proximity and the Labour Force Status of Women in Canada

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Abstract

In this paper, we examine the effect of family co-residence and proximity on the labour force participation and working hours of Canadian women. Using Cycle 21 of the Canadian General Social Survey, we describe proximity patterns in Canada and show that the labour force attachment of women is related to the proximity of their mothers. Lower labour market attachment is found for married women without young children who co-reside with their mothers (those women most likely to care for their elderly mothers) and for married women with young children who live more than half a day away from their mothers (those women least likely to benefit from the availability of family provided childcare). On the intensive margin, both married and single women with children work fewer hours if they live far from their mothers. The results hold only for proximity to living mothers (as opposed to proximity to widowed fathers), suggesting that it is the mothers themselves, and not merely the home location, that drives the results. The results are consistent in IV estimations. To the extent that the positive effect of close proximity is related to the availability of grandchild care, policies that impact the labour force behaviour of grandmothers may also impact the labour force behaviour of their daughters. Moreover, the regional patterns in proximity suggest that national childcare and labour market policies may yield different results across the country.

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