

# **The Use of Daycare by the Unemployed During the EI Reform Period**

## Executive Summary

Changes under EI reform affected many aspects of the old UI system. As part of the monitoring process, it is important to see what effect this had on the job transition process. This report focuses on Canadians who were hindered in their job search, as a result of difficulties in finding the appropriate arrangements for daycare. Interest in this subject was motivated by the finding that single parents were the least able of all family types to maintain their consumption levels after the job transition process.

### Data and Methodology

The Canadian Out-of-Employment Panel (COEP) survey provides important information on socio-economic conditions in addition to other personal and employment related information. These data are used to assess and compare the usage of daycare services and the difficulties experienced with daycare before and after the EI reform.

### Main Findings

- Almost one-third of the respondents are identified as potential users of daycare services.
- Among the potential users, little more than half used daycare services. Those who actually use daycare are more likely to be women or those with an employed spouse.
- The percentage of respondents who did not use daycare but looked for it was just under 9 per cent. Those who looked for daycare were more likely to be male and on the low-end of the income scale.
- About one-fifth of those with children under 12 reported experiencing difficulties finding adequate daycare that were serious enough to affect their employability. They were far more likely to be women.

Although, it is clear that daycare is an issue for a substantial portion of the EI population, the results show that there is no significant change in the use of or need for daycare services from pre- to post-EI reform periods.

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## Introduction

Changes under EI reform affected many aspects of the old UI system. As part of the monitoring process, it is important to see what effect this may have had on the job transition process. This report covers Canadians who were hindered in their job search as a result of difficulties in finding the appropriate arrangements for daycare. Interest in this subject was motivated by the finding that single parents were the least able of all family types to maintain their consumption levels after the job transition process.

The report seeks to examine the extent to which the lack of daycare facilities leads to difficulties for those people who are seeking employment. This is made possible through a series of questions unique to the Canadian Out-of-Employment Panel (COEP) survey, which look at the issue of daycare and job search.

## Data and Methodology

The key data source used in monitoring the impact of the 1996 EI reform is the COEP survey.<sup>1</sup> The COEP survey, administered on behalf of HRDC by Statistics Canada, collects information on the sampled individuals that experienced a job separation as recorded on HRDC's Record of Employment (ROE) administrative file. The survey collects information on an individual's personal and household characteristics, reasons for job separation, detailed employment history, job search activities, training, receipt of EI/UI benefits, social assistance, as well as information on their household's financial situation, including assets and liabilities.

Each survey participant was interviewed twice. The first interview (wave 1) occurred within one year after job separation and the second interview (wave 2) conducted some nine months after the first interview. In total, approximately 40,000 Canadians who had a change or an interruption in their employment activity were surveyed. The survey covered 12 quarters, extending from July 1995 to September 1999. Each of these quarters is referred to as a "Cohort". For example, the COEP data for the period from October 1997 to December 1997 is referred to as Cohort 10. The interview dates are shown below<sup>2</sup>:

Pre-EI reform (Cohort 1 to Cohort 4): Participants for the first four interviews had a job separation in one of the four quarters (i.e., Q3 1995 to Q2 1996) prior to EI implementation.

During EI reform (Cohort 5 & 6): Participants for the next two interviews had a job separation in one of the two quarters (i.e., Q3 1996 and Q4 1996) during implementation of the EI reform.

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<sup>1</sup> Statistics Canada refers to this survey as the "Changes in Employment Survey"(CIE).

<sup>2</sup> See the report "COEP as a Tool for Legislative Oversight, Monitoring and Evaluation" for details.

Post-EI reform (Cohort 7 to Cohort 10): Participants for the next four interviews had a job separation in one of the four quarters (i.e., Q1 1997 to Q4 1997) after implementation of the EI reform.

Post-EI reform (Cohorts 13 and 17): Participants had a job separation in one quarter (i.e., Q3 1998 or Q3 1999), 2 and 3 years after implementation of the EI reform.

The report uses two approaches to examine the daycare issue. First, this report provides an overview of what is known about daycare use from the perspective of those who have terminated jobs. The immediate impact of EI reform is studied by comparing the pre-EI reform period (Q3 1995 to Q2 1996) with post-EI reform period (Q1 to Q4 1997). No analysis is done on the period during the EI reform period, as the implementation of EI reform was not complete and the analysis of this period would be complex.

Although this report does not examine any specific aspect of EI reform, the second underlying goal is to determine if there have been changes in the overall well-being of job seekers during the period of the EI reform.

## **Who uses Daycare?**

The sample used for this analysis is composed of individuals who have job terminations with children under the age of 12.<sup>3</sup> These individuals compose roughly 31 per cent of the COEP sample. Of this 31 per cent, about 55 per cent actually used daycare facilities.

In order to examine the characteristics of the users of daycare services, tabulations were produced by selected demographic and social characteristics in Table 1. The first column describes the users of daycare while the second describes the COEP population of those with children under 12. For this table, and others in the document, sample size is a valid concern. As a result, the number of observations in the first column is given. T-Statistics are also provided to help assess the significance of the differences in the use of daycare services.

Table 1 reveals several significant differences between the two populations. First, daycare users are more likely to be women. This is due to the fact that female job separators with children are less likely to have a spouse staying at home to take care of the children than male job separators with children.<sup>4</sup> Many of the other basic demographic characteristics are identical, such as age, marital status and region of residence.

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<sup>3</sup> The age of 12 was selected because children under the age of 12 cannot be left without supervision, and thus requires daycare by law.

<sup>4</sup> This is due to a greater number of single parents being female and the overall higher male labour force participation rate.

<b>Table 1</b>				
<b>Characteristics of Respondents Who Used Daycare Services</b>				
<b>Characteristics</b>	<b>Used Daycare<sup>1</sup></b>	<b>Total Pop<sup>2</sup></b>	<b>n<sup>3</sup></b>	<b>t<sup>4</sup></b>
	%	%		
<b>Gender</b>				
Male	39.9	45.4	1786	5.4
Female	60.1	54.6	2565	-5.4
<b>Age</b>				
Youth (15-24)	6.8	7.6	317	1.4
Prime (25-54)	92.9	92.1	4020	-1.2
Old (55+)	0.4	0.3	15	-1.1
<b>Marital Status</b>				
Single <sup>5</sup>	16.3	15.2	755	-1.5
Married <sup>6</sup>	83.8	84.8	3597	1.5
<b>Region</b>				
Atlantic	10.3	10.4	1508	0.3
Quebec	26.7	25.5	474	-1.2
Ontario	32.8	33.5	480	0.6
Prairies	17.8	17.6	1398	-0.5
British Columbia	12.3	13.0	492	1.2
<b>Employment</b>				
Respondent				
Employed	82.3	76.1	3423	-7.0
Unemployed	17.7	23.9	929	7.0
Spouse				
Employed	73.3	63.8	3028	-9.7
Unemployed	10.4	20.9	559	12.8
N/A	16.3	15.2	760	-1.5
<b>Type of Employment</b>				
Permanent	64.8	63.5	2310	-1.2
Temporary	16.4	17.0	841	0.9
Seasonal	11.6	12.5	774	1.6
Contract	4.9	4.5	220	-0.9
Help Agency	0.6	0.6	17	0.0
Other	1.8	1.9	106	0.5
<b>Household Income (last 4 weeks)</b>				
0-\$1,900	15.7	20.1	771	4.7
\$1,901-\$3,000	23.9	27.4	1061	3.0
\$3,001-\$4,400	26.3	23.4	873	-3.5
\$4,401-\$9,995	34.1	29.1	1153	-5.3
<b>Length of Unemployment</b>				
0 weeks	32.8	32.5	1360	-0.3
1-26 weeks	39.9	40.7	1923	0.8
27-52 weeks	14.6	12.1	577	-3.6
53 + weeks	12.8	14.8	492	2.5
<b>Actual Hours Worked</b>				
1 to 35 hours	28.8	28.8	1232	0.1
36 to 40 hours	34.1	32.0	1416	-2.1
41 to 48 hours	18.6	19.4	749	1.0
49+ hours	18.5	19.8	870	1.6

*Notes:*

1. Refers to respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12, who used daycare.
2. Refers to respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12.
3. Sample size for respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12, who used daycare.
4. A t value greater than 1.96 (1.64) indicates significance with a standard 95 (90) per cent confidence level.
5. Includes separated, divorced and widowed.
6. Includes common-law marriages.

Data Source: COEP Survey

Many differences arise with respect to labour market status. A number of indicators in Table 1 paint the picture of daycare users representing the higher end of the labour market, in spite of the finding that the distribution of the hours is similar to the overall population. For a start, they live in households with higher incomes and are more likely to have been permanently employed. As well, although there is little difference in the distribution of their weeks of unemployment at the start of the spell, they are 6 percentage points more likely to be employed at the time of the second interview. Not surprisingly, the spouse, if they have one, is more likely to be employed for the daycare users at 73 per cent, compared to 64 per cent. It is interesting to note that this implies that 27 per cent of the daycare users have spouses who do not work. This indicates that there are other factors underlying the usage of daycare than just easing the participation in the labour market.

While Table 1 provides a description of daycare use by job leavers, it does not provide an assessment of the extent to which there have been difficulties in obtaining daycare. These difficulties are more difficult to assess than the actual use. However, COEP does provide several questions that shed some light on these difficulties. The first question was asked of the 45 per cent of those with children who do not use daycare so as to determine if they did want daycare:

*“Have you looked for child care in the past 12 months?” (P2QK8)*

Roughly 9.0 per cent answered “yes” to this question. The responses to this question are given in Table 2 in detail. Here several indicators show that those who looked for daycare are among the more disadvantaged job seekers. For a start, they are less likely to be employed, compared to all job terminators with children. This is reflected in an employment rate at the time of the interview of 65 per cent, which is 11 percentage points lower than all other respondents with children. It is also reflected in an unemployment rate at the time of the second wave of 34.8 per cent that is 11 percentage points higher than the total population. In addition, the spouses are less likely to be employed by 15 percentage points. This may be a partial reflection of the greater concentration of males compared to daycare users in general. This is seen in comparing Tables 1 and 2, where 60 per cent of daycare users are females whereas only 49 per cent of those unable to find daycare are females. Another indication of the extent of the disadvantaged state of those looking to find daycare is that only 20 per cent of them are in the highest income category compared to 29 per cent.

<b>Table 2</b>				
<b>Characteristics of Respondents who Looked for Daycare Services</b>				
<b>Characteristics</b>	<b>Looked For Daycare<sup>1</sup></b>	<b>Total Pop<sup>2</sup> %</b>	<b>n<sup>3</sup></b>	<b>t<sup>4</sup></b>
<b>Gender</b>				
Male	51.2	45.4	113	-0.9
Female	48.8	54.6	145	0.9
<b>Age</b>				
Youth (15-24)	12.1	7.6	38	-1.2
Prime (25-54)	87.9	92.1	220	1.1
Old (55+)	0.0	0.3	0	3.2
<b>Marital Status</b>				
Single <sup>5</sup>	20.7	15.2	45	-1.1
Married <sup>6</sup>	79.3	84.8	213	1.1
<b>Region</b>				
Atlantic	8.1	10.4	74	1.4
Quebec	25.8	25.5	28	-0.1
Ontario	39.7	33.5	41	-0.9
Prairies	17.8	17.6	92	-0.1
British Columbia	8.7	13.0	23	1.8
<b>Employment</b>				
Respondent				
Employed	65.3	76.1	146	1.8
Unemployed	34.8	23.9	112	-1.8
Spouse				
Employed	49.4	63.8	133	2.3
Unemployed	30.0	20.9	80	-1.5
N/A	20.7	15.2	45	-1.1
<b>Type of Employment</b>				
Permanent	62.4	63.5	131	0.6
Temporary	15.2	17.0	59	0.6
Seasonal	15.5	12.5	41	-0.6
Contract	3.8	4.5	15	0.4
Help Agency	0.0	0.6	1	2.6
Other	3.0	1.9	4	-0.4
<b>Household Income (last 4 weeks)</b>				
0-\$1,900	22.2	20.1	69	-0.2
\$1,901-\$3,000	31.0	27.4	74	-0.4
\$3,001-\$4,400	27.1	23.4	40	-0.4
\$4,401-\$9,995	19.7	29.1	39	1.9
<b>Length of Continuous Unemployment</b>				
0 weeks	36.8	32.5	68	-0.7
1-26 weeks	37.5	40.7	106	0.5
27-52 weeks	8.8	12.1	31	1.2
53 + weeks	16.9	14.8	53	-0.5
<b>Actual Hours Worked</b>				
1 to 35 hours	27.0	28.8	84	0.3
36 to 40 hours	30.0	32.0	80	0.4
41 to 48 hours	21.2	19.4	41	-0.3
49 + hours	21.8	19.8	52	-0.4

Notes:

1. Refers to respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12, who looked for daycare.
2. Refers to respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12.
3. Sample size for respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12, who looked for daycare.
4. A t value greater than 1.96 (1.64) indicates significance with a standard 95 (90) per cent confidence level.
5. Includes separated, divorced and widowed
6. Includes common-law marriages.



**Table 3**

**Demographics of Respondents Experiencing Employment Difficulties Due to Lack of Daycare**

Characteristics	Experienced difficulty <sup>1</sup>	Total Pop <sup>2</sup>	n <sup>3</sup>	t <sup>4</sup>
	%	%		
<b>Gender</b>				
Male	27.4	45.4	238	6.0
Female	72.6	54.6	590	-6.0
<b>Age</b>				
Youth (15-24)	8.9	7.6	101	-0.8
Prime (25-54)	90.9	92.1	724	0.8
Old (55+)	0.3	0.3	3	0.2
<b>Marital Status</b>				
Single <sup>5</sup>	21.9	15.2	190	-2.4
Married <sup>6</sup>	78.1	84.8	638	2.4
<b>Region</b>				
Atlantic	7.8	10.4	247	2.9
Quebec	14.5	25.5	55	4.1
Ontario	42.9	33.5	118	-2.6
Prairies	19.3	17.6	296	-1.0
British Columbia	15.5	13.0	112	-1.3
<b>Employment</b>				
Respondent				
Employed	67.6	76.1	553	2.7
Unemployed	32.4	23.9	275	-2.7
Spouse				
Employed	66.9	63.8	527	-1.0
Unemployed	11.2	20.9	110	5.2
N/A	21.9	15.2	191	-2.4
<b>Type of Employment</b>				
Permanent	67.1	63.5	454	-1.4
Temporary	14.1	17.0	143	1.2
Seasonal	9.6	12.5	130	1.8
Contract	6.0	4.5	51	-0.9
Help Agency	0.2	0.6	2	1.0
Other	3.0	1.9	31	-1.1
<b>Household Income (last 4 weeks)</b>				
0-\$1,900	28.9	20.1	242	-2.9
\$1,901-\$3,000	27.0	27.4	224	-0.1
\$3,001-\$4,400	27.1	23.4	139	-1.2
\$4,401-\$9,995	17.1	29.1	138	4.3
<b>Length of Continuous Unemployment</b>				
0 weeks	33.8	32.5	252	-0.4
1-26 weeks	34.9	40.7	322	1.8
27-52 weeks	15.1	12.1	106	-1.2
53 + weeks	16.3	14.8	148	-0.7
<b>Actual Hours Worked</b>				
1 to 35 hours	35.3	28.8	289	-1.9
36 to 40 hours	29.1	32.0	237	1.0
41 to 48 hours	16.0	19.4	135	1.4
49 + hours	19.7	19.8	151	0.1

**Notes:**

1. Refers to respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12 who experienced difficulty looking for daycare
  2. Refers to respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12.
  3. Sample size for respondents (with initial job loss in 1995 Q3 to 1996 Q2 or 1997 Q1 to 1997 Q4) with children under the age of 12, who experienced difficulty looking for daycare.
  4. A t value greater than 1.96 (1.64) indicates significance with a standard 95 (90) per cent confidence level.
  5. Includes separated, divorced and widowed.
  6. Includes common-law marriages.
- Data Source: COEP Survey

Table 2 covered those who did not have daycare but looked for it. This is of interest but it does not get directly at the impact on job search, which is the overall goal of the report. A subsequent question addresses this issue more directly:

*“In the past 12 months, have you felt that difficulties making suitable child care arrangements have stopped you from finding a good job or taking a better job?” (P2QK10)*

This question was asked both of those who used daycare or those who looked for daycare in the last 12 months. Approximately 19 per cent answered “yes” to this question. This would indicate that approximately 81 per cent of job seekers did not experience serious labour-market difficulties with the daycare services available to them. Still, it is clear, that a substantial portion experience difficulties. Questions were available in COEP to help identify what these problems were and these primarily centred around the hours of work.<sup>5</sup>

What is initially striking about Table 3 is the predominance of women that experienced difficulties due to a lack of daycare, with a full 72.6 per cent being comprised of women. There is also a higher concentration of single people in this category, suggesting a greater concentration of single mothers.<sup>6</sup>

It is interesting to note these individuals are less concentrated in Atlantic Canada and Quebec. Several indicators suggest that they are among the more economically disadvantaged. They are 6 percentage points more likely to not have a spouse and if they do have a spouse he or she is 9 percentage points more likely to be unemployed. They are also 12 percentage points less likely to be in the higher income category.

## **Impact of EI reform**

In this section, statistical analysis is used to determine if any of the difficulties in obtaining a new job changed during the EI reform period. The issue is approached from two different perspectives. First, it looks at changes in the percentage who experience difficulties. Secondly, the impact of these difficulties on the probability of finding a job is examined.

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<sup>5</sup> Tables will be made available of this data in subsequent versions of the report.

<sup>6</sup> This will be explored in greater detail in subsequent work.

<b>Table 4</b>				
<b>Usage of Daycare Services by Period</b>				
	<b>Pre-EI Reform (95Q3-96Q2)<sup>1</sup> %</b>	<b>Post-EI Reform (97Q1-97Q4)<sup>1</sup> %</b>	<b>n<sup>2</sup></b>	<b>t<sup>3</sup></b>
Share of population with children under 12.	32.1	30.1	3951	-1.7
Share of those with children under 12 who used daycare.	54.5	56.8	2123	-0.5
Share of those with children under 12 who did not use daycare but looked for it.	8.7	8.7	125	-0.5
Shortage in daycare services led to difficulties in finding better job.	18.2	20.1	372	0.5
<i>Notes:</i>				
<i>Table refers to Respondents with children under the age of 12</i>				
<i>1. Refers to date of initial job loss.</i>				
<i>2. Sample size for pre EI period (i.e. persons with an initial job loss in 95Q3 to 96 Q2).</i>				
<i>3. A t value greater than 1.96 (1.64) indicates significance with a standard 95 (90) per cent confidence level.</i>				
<i>Data source: COEP Survey</i>				

Table 4 presents some basic descriptive statistics to support this regression analysis. The univariate results indicate no significant changes as a result of EI reform, except for a change in the total number who do have children in this age range.<sup>7</sup>

Table 5 contains the results of a more formal examination of the impact of EI with probit analysis. Again, the overall change in the rate at which individuals have difficulty as a result of EI reform is statistically insignificant. The signs of many of the explanatory variables are of interest in themselves. Men are 5 percentage points less likely to experience difficulties in finding employment due to lack of daycare than women. Both those with higher levels of education and those who have intellectually demanding occupations are more likely to experience difficulties. Conversely, those with a mortgage are less likely. The occupational patterns that emerge are interesting and difficult to interpret. In general, higher-end occupations, such as management, tend to be more likely to be affected by daycare issues. A possible interpretation of this is that these occupations have more stringent time requirements, which would lead to difficulties in obtaining appropriate daycare and therefore difficulties in obtaining daycare being more likely to be seen as a problem.

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<sup>7</sup> It should not be concluded that EI reform has had an impact on the number of children. What has likely happened is that there was some form of fluctuation in the macro-economic environment that has caused more individuals of child-rearing age to enter the COEP sample frame.

<b>Table 5</b>		
<b>Determinants of the Probability of Experiencing Employment Difficulties Due to Lack of Daycare</b>		
	<b>% impact</b>	<b>P&gt; t <sup>1</sup></b>
<b>EI reform</b>	0.009	56.8
<b>Personal Characteristics</b>		
<b>Gender</b>		
Male	-0.054	0.8
Female (control)	...	...
<b>Age</b>		
Youth (15-24)	-0.007	92.7
Prime (25-54)	-0.020	80.8
Old (control) (55+)		
<b>Education</b>		
More than High School	0.037	2.7
High School or Less (control)	...	...
<b>Household Type</b>		
Single	-0.065	28.3
Married	-0.013	86.1
Married spouse Works	0.036	7.6
Married with Children	-0.017	81.1
Single Parent	0.064	40.8
Married Spouse Works with Children (control)	...	...
<b>Disability</b>		
Yes	0.035	23.4
No (control)	...	...
<b>Personal Financial Capacity</b>		
Entitlement Week	0.000	76.7
Assets	0.000	92.8
Mortgage	-0.053	0.2
No Mortgage (control)	...	...
Continued on Next Page		

<b>Table 5 (cont.)</b>		
<b>Determinants of the Probability of Experiencing Employment Difficulties Due to Lack of Daycare</b>		
	<b>% impact</b>	<b>P&gt; t </b>
<b>Labour Market Characteristics</b>		
<b>Last Occupation</b>		
	Knowledge Occupation	0.272
	Management Occupation	0.171
	Data Occupation	0.163
	Service Occupation	0.167
	Goods Occupation	0.129
	Data + Service Occupations	0.6
(control)		
<b>Last Industry</b>		
	Primary Industry	0.052
	Manufacturing	0.049
	Construction	0.029
	Service	0.025
	Public Administration (control)	
<b>Region</b>		
	Atlantic	-0.054
	Quebec	-0.080
	Ontario (control)	...
	Prairie	-0.025
	British Columbia	-0.022
	Unemployment Rate	0.000
<b>Quarter That Job Was Lost</b>		
	First Quarter	-0.014
	Second Quarter	-0.014
	Third Quarter	.003
	Fourth Quarter (control)	...
<b>Sample Size</b>	7073	
<b>Log Likelihood Function</b>	-2370.09	
<i>Probit regression with the number of weeks of non-employment censored at 52 as the dependent variable.  1. P&gt; t  represents the "p" value. A value less than 10 is equivalent to a one-tailed t-test at the 95 percent confidence level.  Data Source: COEP Survey.</i>		

These tables do not quantify the impact of the difficulty in finding daycare. In order to do this, a simple duration model is estimated as shown in Table 6. The sample used here is all job seekers that have children under the age of 12. Many of the results of the estimation conform to standard results found in other studies. The presence of a mortgage has a positive sign. This means that holders of mortgages are more likely to get a job in any given week. The value of the coefficient of 0.15 implies that the probability of getting the job increased by 15 per cent. Other standard results also emerged, such as a higher unemployment rate lowers the

probability of finding a job. One result that may not be surprising<sup>8</sup> is that men with children were found to be able to become re-employed far easier than women with children. As well, this equation also provided a numeric estimate of the impact of the difficulty in finding daycare. Those who had difficulty finding daycare were found to be 23 per cent less likely to become re-employed at any point during the job search. This was unchanged as a result of EI reform.

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<sup>8</sup> In many of the COEP studies done with data from the 1996/97 time period it was generally found that men found reemployment faster than women.

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<b>Table 6</b>		
<b>Determinants of the Duration of Unemployment for those with Children Under 12</b>		
	<b>Coefficient</b>	<b>P&gt; t <sup>1</sup></b>
<b>EI reform</b>		
Post-EI reform (97Q1-97Q4) <sup>2</sup>	0.026	70.1
Had Difficulty finding daycare during Pre & Post EI reform period (95Q3-96Q2 & 97Q1-97Q4) <sup>2</sup>	-0.236	3.1
Used daycare Pre & Post EI reform period (95Q3-96Q2 & 97Q1-97Q4) <sup>2</sup>	0.249	0.1
<b>Personal Characteristics</b>		
<b>Gender</b>		
Male	0.651	0
Female (control)	...	...
<b>Age</b>		
Youth (15-24)	0.099	82.5
Prime (25-54)	0.377	37.3
Old (control) (55+)		
<b>Education</b>		
More than High School	0.051	48.3
High School or Less (control)	...	...
<b>Household Type</b>		
Single	-0.138	79.4
Married	0.224	52.8
Married spouse Works	-0.136	8.0
Married with Children	-0.406	21.6
Single Parent	-0.476	17.2
Married Spouse Works with Children (control)	...	...
<b>Disability</b>		
Yes	-0.025	82.8
No (control)	...	...
<b>Personal Financial Capacity</b>		
Entitlement Week	-0.003	31.3
Assets	0.000	81.3
Mortgage	0.151	2.7
No Mortgage (control)	...	...
Continued on Next Page		

<b>Table 6 (cont.)</b>		
<b>Determinants of the Duration of Unemployment for those with Children Under 12</b>		
	<b>coefficient</b>	<b>P&gt; t </b>
<b>Labour Market Characteristics</b>		
<b>Last Occupation</b>		
Knowledge Occupation	0.258	36.6
Management Occupation	0.134	60.7
Data Occupation	0.289	23.7
Service Occupation	0.101	68.9
Goods Occupation	0.390	12.2
Data + Service Occupations (control)	...	...
<b>Last Industry</b>		
Primary Industry	-0.170	27.7
Manufacturing	-0.210	18.7
Construction	-0.221	14.5
Service	-0.085	53.4
Public Administration (control)	...	...
<b>Region</b>		
Atlantic	-0.100	28.6
Quebec	-0.172	11.0
Ontario (control)	...	...
Prairies	-0.142	8.8
British Columbia	-0.274	0.5
<b>Unemployment Rate</b>	-0.019	5.3
<b>Quarter That Job Was Lost</b>		
First Quarter	0.097	28.5
Second Quarter	0.097	40.2
Third Quarter	-0.066	44.6
Fourth Quarter (control)	...	...
<b>Constant</b>	-3.690	0
<b>Duration Dependence</b> (if equal to 0 then there is no dependence)	0.057	2.4
<b>Sample Size</b>	4594	
<b>Log Likelihood</b>	-2315485.9	
<p><i>Notes:</i></p> <p><i>Weibull regression with the number of weeks of non-employment.</i></p> <p><i>The dependent variable is censored at 52.</i></p> <p><i>1. P&gt; t  represents the "p" value. A value less than 10 is equivalent to a one-tailed t-test at the 95 percent confidence level.</i></p> <p><i>2. Refers to date of initial job loss.</i></p> <p><i>Data Source: COEP Survey.</i></p>		



## **Conclusions and Further Research**

Daycare plays an important role in the job search process. 81 per cent of those who require daycare find it adequate for their labour market needs. Still there are the 19 per cent who have experienced some difficulties as a result of lack of daycare. An overwhelming percentage of these individuals experiencing these difficulties are women. This was not changed during the period of EI reform.

This version of the report focuses primarily on the impact of EI reform. In later versions of this report, there will be a more in-depth exploration of these issues from a gender perspective. This will be done through a more thorough analysis of the data. For example, many results will be provided for single mothers. As well a literature review will be included, so as to provide context for the results. An example where this would be useful would be to suggest why problems with daycare are less prominent in Atlantic Canada and Quebec. In addition, initial indications in this version of the report are that knowledge and data occupations are more sensitive to difficulties in daycare availability. This suggests that it may be useful to further investigate the relationship between daycare availability and the nature of employment.

## Technical Notes

1) In Tables 1, 2 and 3, Cohorts 1 to 4 and Cohorts 7 to 10 were used to tabulate daycare users and those who looked for daycare. Cohorts 5 and 6 were omitted as they covered the phase in of the EI reform.

2) In tables where the percentage impact of the probit impact is provided, such as Table 5, the percentage changes are calculated using the default options in STATA Version 6.0. This implies that the impact of a one-unit change in a continuous variable is calculated at the means whereas a positive dummy variable is calculated at zero and one and the difference is presented.

3) The data used was weighted with weights derived by Statistics Canada to ensure that the COEP survey is representative of the overall population of unemployed.