

The Effect of Childcare Access on Women's Careers and Firm Performance

Discussion

Annalisa Scognamiglio

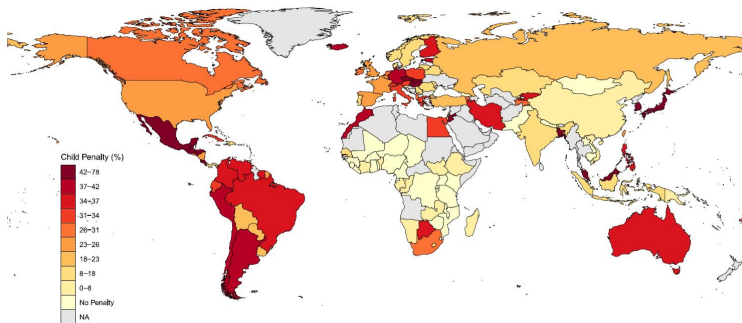
University of Naples Federico II and CSEF

Conference on Finance, Labor and Inequality

17 June 2022

Motivation

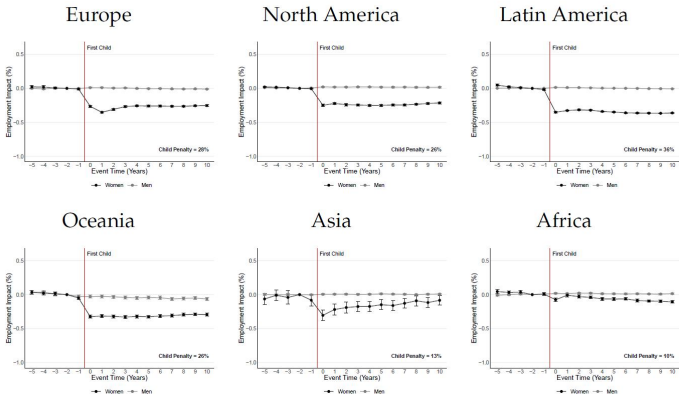
- Very nice paper on extremely relevant topic!
- Child penalty is almost universal



- It accounts for a very large share of gender gap (Kleven, Landais and Leite-Mariante, ongoing work)

Motivation

- ... and it is long-lasting over women's careers!



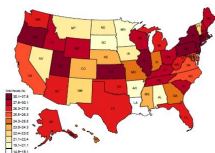
Contribution

- Positive employment effect of 1997 policy change in Quebec already documented (Baker et al., 2008, Lefebvre et al., 2008)
 - I would expand the discussion about these papers and how your paper compares/complements them
- Contribution:
 - ① Different identification strategy (other papers compare Quebec to other regions in Canada), different margin of child-care provision, additional career outcomes (why not looking at hours worked also?)
 - ② Analysis of sorting into firm types
 - ③ Impact on firms

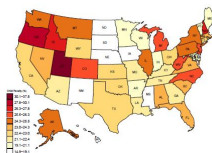
Identification strategy

- Identification relies on comparison between cohorts of mothers
- More recent cohorts of mothers have higher exposure to treatment than older ones, but they may also be on declining trends
- For instance, for the US, we know there has been a decline in child penalty over time (even comparing to men)

Weekly Employment Before 2000



Weekly Employment After 2000



- **Suggestion:** can you show that the cohort effects after the reform are larger than those implied by a possible secular trend decrease in child penalties?
- Related point: did this policy change affect fertility? Should one worry about potential composition changes in mothers' characteristics?

Sorting into firms

- Mothers more likely to go to work in firms that were male-dominated before the reform and sectors with higher pay convexity
- Is this necessarily good? child-care decreases the opportunity cost of going to work so that you accept jobs with lower match quality?
- Can expand this section looking at other characteristics of the firms directly, e.g., AKM firm fixed effects

Impact on firms

- Novel with respect to individual effects, but identification based on comparison between firms with pre-reform gap higher than median vs. other firms seems not very strong
- Positive effects on employment, assets, growth, performance and female share
- ... but no effect on labor productivity
- What is the mechanism through which higher female share translates into better firm performance?
- What happens to firm-level wages. If policy change is a positive shock to female labor supply, should we expect average wages to fall?
- Suggestion: show whether the effect on female share precedes that on firm growth. In general, more theoretical guidance on interpretation of results would be great!

Summary

- Great paper in the making!
- Would probably benefit from a conceptual framework to interpret the results
- Some additional work on id strategy

Summary

- Great paper in the making!
 - Would probably benefit from a conceptual framework to interpret the results
 - Some additional work on id strategy
-
- Thanks, and let's all wish for no penalties to be attached to children in the near future!