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Article

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Childcare Trends in Germany—Increasing Socio-Economic Disparities in East and West

By Pia S. Schober and Juliane F. Stahl

In East Germany, prior to reunification, daycare provision was widely available to encourage mothers to return to work soon after giving birth. Conversely, in West Germany, childcare facilities for under-threes were few and far between and, at the end of the ’80s/beginning of the ’90s, the length of parental leave was gradually extended up to three years following the birth of a child. Since 2005, post-reunification Germany has seen a significant expansion in daycare services, primarily to help parents combine employment with family responsibilities. Despite these recent trends, however, 25 years after reunification, there are still major disparities between East and West Germany when it comes to childcare for the under-threes.

The present report analyzes long-term trends in the use of daycare facilities, including pre-school, and in-home daycare providers, as well as of informal childcare provided by relatives, neighbors, close friends, acquaintances, or paid carers. Previous evidence has shown that both children and parents can benefit from non-parental care support, provided it is of high quality. International analyses indicate that the effects of high-quality early education in non-family care establishments are especially positive for children from disadvantaged backgrounds with fewer resources.1 In this context, the term “fewer resources” is used to refer to low household income, a low level of maternal education, single parenthood, or immigration background. To date, less is known on the effect of informal childcare provided by relatives or paid private persons than for childcare in formal daycare establishments. The few existing international studies show conflicting effects on child development.2 which may be due to large variance in the quality of informal childcare.

The use of non-parental childcare also helps parents, in particular mothers, reconcile work and family responsibilities. Here, quality is also important, since mothers, in particular in East Germany, have been found to return to work faster and to work longer hours in regions with better daycare quality.3 A support system in the form of high-quality daycare is especially important when it comes to enabling employment of single-par-

Over time, attitudes to childcare have changed considerably, but differences between East and West Germany, as well as between different socio-economic groups, persist.

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CHILDREN TRENDS IN GERMANY—INCREASING SOCIO-ECONOMIC DISPARITIES IN EAST AND WEST

**Influence of the legal framework on Childcare Provision**

Besides changes in attitudes to childcare, the basic legal framework for daycare for children under three in East and West Germany has also changed drastically since reunification (see box). In the early ‘90s, there were far more childcare facilities in the East than in the West. In 1991, 54 percent of children under three in East Germany attended a daycare facility, while in West Germany, places were available for 2 percent of under-threes only.\(^9\) From 1990 to 2002, the number of formal daycare places in East Germany plummeted to 37 percent, compared with a one-percentage point increase in West Germany during the same period.\(^10\) Since 2005, the number of under-three-year-olds in daycare has increased significantly in both East and West Germany.

The demand for daycare places for under threes has risen steadily in recent years, albeit to varying degrees in East and West. In East Germany, the number of children under the age of three attending a daycare center went up from 40 to 50 percent between the years 2006 and 2013. In West Germany, a more striking increase from 8 to 24 percent was seen for the same period.\(^11\) In comparison, regional divides in the regular use of informal childcare are less notable. In recent years, approximately one-third of all children under the age of three were in informal childcare in both East and West Germany.

**Rising or Declining Socio-Economic Differences in Childcare in East and West?**

The present report examines the question of whether, since the fall of the Berlin Wall, differences between the various socio-economic groups have increased or decreased with regard to the use of different forms of childcare. Given the prioritized access for children whose parents are in employment or education in recent years, one might expect working parents to be more likely to have used daycare facilities more recently. A disproportionately large number of these are women with a university qualification. With prioritized access or additional funding for children from single-parent families or those with an immigration background, these children

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\(^2\) See Section 24a of the Child and Youth Welfare Act (Kinder- und Jugendhilfegesetz, KJHG).


\(^7\) Federal Statistical Office, Statistik der Kinder- und Jugendhilfe (Berlin, 2002).


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en with academic qualifications. While in 2012, 50 percent of women without Abitur and 43 percent of those from at-risk-of-poverty households agreed that childcare should be provided mainly by family members and not by formal daycare facilities, only 32 percent of academicians and single-mothers felt that way.
may have caught up compared to earlier periods. Owing to higher availability of daycare and greater acceptance of formal childcare and working mothers following reunification, one might assume that the socio-economic differences in East Germany are less pronounced than in West Germany.

**Study Structure**

Many studies document significant differences among the various socioeconomic groups with regard to the use of formal daycare in recent years. Most of these analyses, however, do not look at long-term trends. This is important, however, to gain a better understanding of changes in the use of daycare, which have occurred since government-subsidized daycare provision was reduced and expanded in East and West Germany, respectively. Two studies on trends in the group-specific use of childcare show that, in West Germany, the probability of unmarried couples or women with Abitur using formal daycare grew more strongly for the period 1995-2009 than was the case for married couples or women with lower or intermediate school leaving qualifications. This study, in contrast, analyzes data up to 2012, meaning it includes a period in which a substantial further expansion of childcare provision took place. The present study also looks at how the seldom investigated use of informal individual childcare has developed over the long term in East and West Germany. Formal childcare trends can be looked at for the period 1991—2012, while informal childcare can only be compared from 1997 when data first became available in a comparable form. Here, the period of observation has been split into four distinct periods: period 1 shortly after reunification from 1991 to 1995, period 2 from 1996 to 2000, from which point children of three years and older had a legal entitlement to a daycare place, period 3 from 2001 to 2005, and finally period 4 from 2006 to 2012, which was marked by a major expansion in daycare provision.

The following changes in the use of different childcare forms over time by selected socio-economic groups are analyzed based on data from the Socio-Economic Panel (SOEP) study for the period 1991 to 2012.

The following groups are distinguished:

- **Mother’s level of education**: (a) mothers with a university qualification, (b) a vocational qualification, and (c) lower-level qualifications, for instance lower- or intermediate school leaving qualifications with no occupational training.

- **Children born to single mothers**: a mother is seen as a single parent if she does not share a household with her partner.  

- **Children from households whose monthly income is below the at-risk-of-poverty threshold set at 60 percent of national median equivalized disposable income for the given year.**

- **Children with an immigration background**: this group includes children whose parents are both first- or second-generation immigrants, since previous studies show a low tendency towards using external childcare for this group.  

- **Socio-Economic Differences in the Use of Childcare Options: Long-Term Trends**

This study looks at trends in the probability of families with different resources using daycare facilities or informal childcare arrangements for a child under the age of three years.  

Figures 1 and 2 show estimated values for the probability of families using daycare facilities or informal childcare options. In West Germany the probability of daycare use rose from period 2 to period 3 and once again significantly in period 4.

Given the rapid expansion of childcare provision in recent years, this increase was to be expected. In East Germany, the probability of childcare uptake initially fell after reunification and did not start to rise again until 2006, reaching an average of 48 percent. Parallel trends in West Germany are not included. In all of the analyses other factors related to the probability of formal or informal childcare uptake are also taken into account; these are, for example, age and gender of the child in question, the number of children under the age of 16 in the household, the mother’s age, and the district population.

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13 Here, only single mothers were taken into consideration, since there are too few single fathers to warrant conducting a separate analysis.


15 The probability values are calculated on the assumption that families fall into one of the disadvantaged categories only. Combinations of categories are not included. In all of the analyses other factors related to the probability of formal or informal childcare uptake are also taken into account; these are, for example, age and gender of the child in question, the number of children under the age of 16 in the household, the mother’s age, and the district population. During the period 1991 to 2012, a total of 3,246 and 900 households with under-threes were observed in West and East Germany, respectively.
to the expansion of daycare places in recent years, a decline in the estimated average use of informal childcare was observed from 2006 onwards (40 to 36 percent in West Germany and 42 to 33 percent in East Germany).

**Increasing Socio-Economic Disparities in Daycare Uptake in East and West Germany**

In West Germany, the probability of single mothers and mothers with a university or vocational qualification using daycare centers has undergone a very similar development over the past 20 years. For these groups, a significant increase, albeit to varying degrees (see Figure 3) was seen for the period beginning 2006. For children whose mothers are less educated, whose parents are at risk of poverty, or where both parents come from immigrant backgrounds, the increase was smaller. In these groups, less than ten percent of under-threes on average attended daycare during the expansion period, compared with 27 percent of children whose mothers had a higher education qualification and 19 percent among children of single mothers.

In East Germany the probability of single mothers and mothers with a university qualification using a daycare facility increased more than for mothers with vocational qualifications or lower levels of education (see Figure 4). For mothers with a university education, the probability of the child being at a daycare facility went up on average from 36 percent (for the period 2001 to 2005) to 70 percent in the recent expansion period. A stark increase could also be seen for children whose parents were at risk of poverty. Despite this increase to 29 percent, children from at-risk-of-poverty backgrounds continue to attend daycare facilities far less frequently than children from other groups.

Further analyses indicate that the significant differences between the various groups in the probability of using daycare are, at least in part, related to differences in maternal employment. In West Germany, the difference in likelihood of using daycare between children with highly educated mothers and those with less educated mothers is up to 50 percent lower over all periods when employment status is controlled for. Similar reductions are seen for at-risk-of-poverty households as well as those with immigrant backgrounds for the period of expansion. In East Germany, too, the lower probability of daycare uptake in periods 1 and 4 for at-risk-of-poverty families or in cases where the mother has a low or intermediate level of education can be partly explained by the lower maternal employment rates.
In the period beginning 2006, however, when childcare provision was expanded significantly, the number of mothers in this group who were using informal childcare remained almost unchanged at around 47 percent. Additional tests show that a general increase in combined use of formal and informal childcare has occurred, which was similar across all groups irrespective of education level. Highly educated mothers, however, were more likely to use any form of external childcare, be it formal, informal or both.

In West Germany, the probability of single mothers and mothers with a vocational qualification or low level of education using informal childcare fell significantly from 2006 onwards, taking it from 62 percent to 45 percent for single mothers, from 46 to 40 percent for mothers with a vocational qualification and from 38 to 29 percent for mothers with a low level of education (see Figure 3). These results indicate that these groups are moving away from using informal childcare and more toward formal daycare facilities. This does not apply, however, to mothers with a university qualification or immigration background. From the early 2000s onwards, the use of informal childcare increased for mothers with a university qualification. In the period beginning 2006, however, when childcare provision was expanded significantly, the number of mothers in this group who were using informal childcare remained almost unchanged at around 47 percent. Additional tests show that a general increase in combined use of formal and informal childcare has occurred, which was similar across all groups irrespective of education level. Highly educated mothers, however, were more likely to use any form of external childcare, be it formal, informal or both.

In the case of East German children with academic mothers, there has been a statistically significant reduction in the use of informal childcare since the expansion of daycare services began (see Figure 6). For mothers with a vocational qualification, those at risk of poverty, and single mothers, the uptake of informal childcare has increased significantly in West Germany. Socio-economic differences in daycare use have increased.
childcare has remained relatively stable since the mid-1990s. In recent years, the group that was found to use regular informal childcare for their under-threes most often was single mothers, at over 55 percent. All other groups displayed probability values of between 25 and 35 percent (see Table 2).

**Conclusion**

Twenty-five years after German reunification, East-West differences in the uptake of formal daycare for children under the age of three are still very evident, while the frequency of informal childcare uptake has been roughly similar in both East and West Germany. The growth in the use of daycare facilities seen in recent years differed across the various socio-economic groups. The increase among mothers with a university qualification, as well as single mothers, was far greater in both East and West Germany than in the case of mothers with no vocational qualification or in families with immigration backgrounds in West Germany. These results confirm the findings obtained to date, also taking account of more recent periods in which there have been greater attempts to expand childcare provision. The minor differences in group-specific trends between East and West Germany are remarkable given that one might expect smaller socio-economic differences in a system marked by a long tradition of maternal employment where childcare provision had been expanded more widely.

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16 Krapf and Keynenfeld, "Soziale Unterschiede."
Interesting East-West differences can be seen between informal childcare trends for children of single mothers and mothers with a university qualification. Single mothers in West Germany used daycare more and informal care less often in recent years. In East Germany, the increasing use of daycare by single mothers was not accompanied by a decrease in informal childcare, a fact that may well be accounted for by the increased labor force participation of single mothers.

In East Germany, fewer mothers with a university education have used informal childcare for their infants in recent years—probably because some of them switched to formal daycare options. In West Germany, in contrast, almost 50 percent of these mothers continued to use informal childcare regularly. These different trends may be due to the shorter average opening times of daycare facilities or can perhaps be attributed to more mothers in this group in West Germany preferring informal childcare than they do in East Germany. Following the introduction of legal entitlements to childcare in the summer of last year, future findings on formal daycare uptake might shed light on the extent to which the legal changes have led to a reduction in socio-economic differences. They may also provide new insights as to whether the notion of what is considered ‘good’ childcare and the acceptance of maternal employment have converged between East and West Germany, as well as between different socio-economic groups.

Table 2

<table>
<thead>
<tr>
<th></th>
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<tr>
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<td>2.4**</td>
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<tr>
<td>Immigrant background1</td>
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<tr>
<td><strong>Use of informal childcare</strong></td>
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</table>

1 Logistic regression, weighted. Interaction terms between group membership and period were added to the models in each case. The reference category is period 4 (2006–2012). The following were also taken into account: age and gender of the child cared for, number of children under 16 in the household, mother’s age, and district population.

Significance levels: + p < 0.10, * p < 0.05, ** p < 0.01, *** p < 0.001.

2 The mother’s education level was defined at intermediate. For this reason, the group with intermediate education is also the comparison category for these groups.


East-West differences in informal childcare use are less pronounced than for formal daycare.