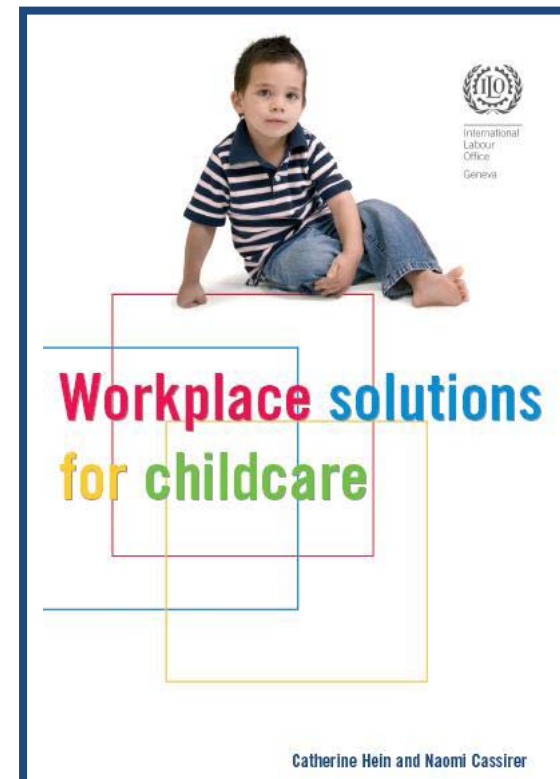




International Labour Organization
Conditions of Work and Employment Programme
Geneva, Switzerland



Workplace solutions for childcare



travail@ilo.org
www.ilo.org/travail



Overview of Book

- Key childcare issues and concerns facing working parents and businesses
- National Approaches and Policies from the perspective of working parents and employers
- Workplace partners and solutions
 - *With case studies and examples from Brazil, Chile, France, Hungary, India, Kenya, South Africa, Thailand, U.K., U.S.A.*



Key childcare issues and concerns



Key childcare issues and concerns

Non-family childcare: an urgent need everywhere

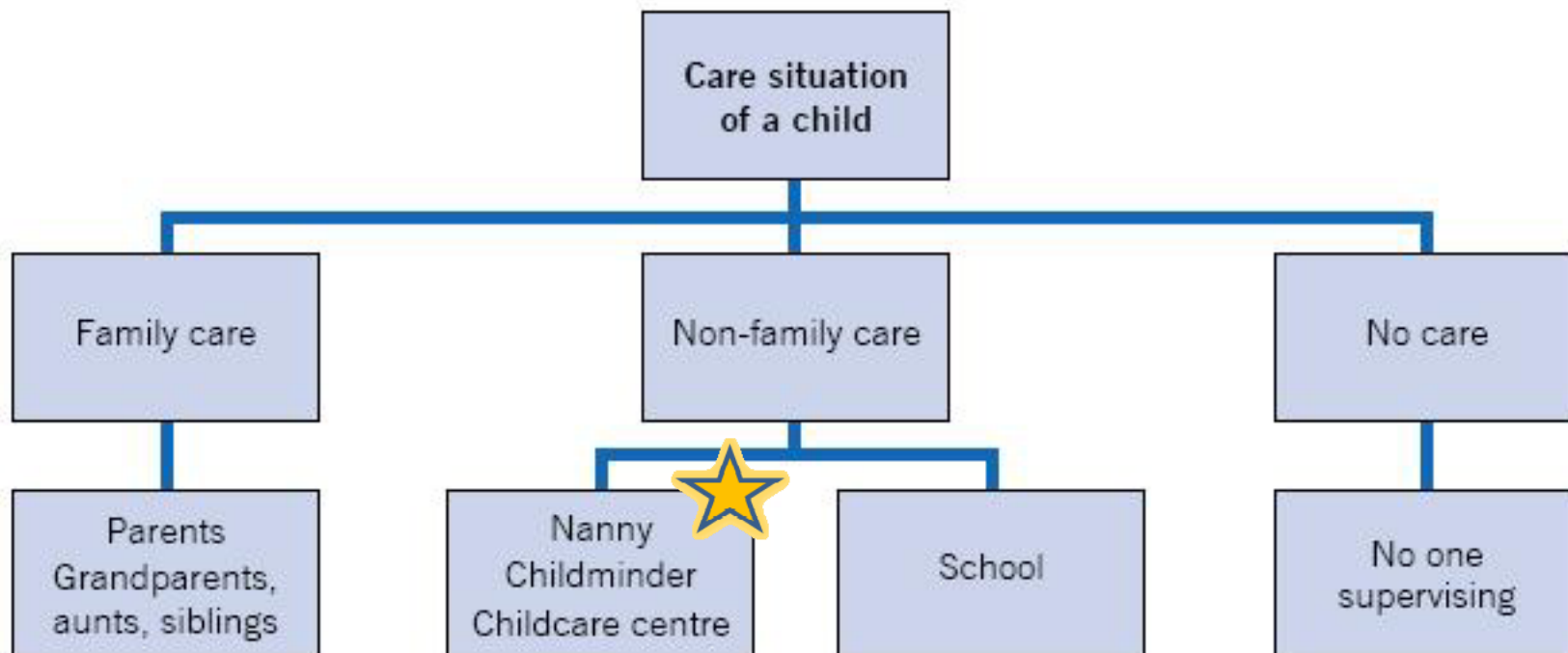
- increasing numbers of families where both parents are (or would like to be) income earners
- increasing numbers of mono-parental families
- family members (grandparents, aunts etc.) are increasingly unavailable (migration, distances, working themselves)



Key childcare issues and concerns

Working parents need childcare for

- pre-schoolers,
- school-age children outside school time (after school, holidays),
- emergencies when normal arrangement breaks down





Key childcare issues and concerns

Working parents have difficulty accessing childcare which is :

- affordable in relation to their earnings;
- convenient in terms of opening hours and location;
- of sufficient quality that they are assured the child is well looked after



**Childcare affects whole of society –
it is a public responsibility**

**When childcare is left entirely to the family
to pay on the market:**

- **Social inequalities are reinforced**
- **Difficulties for workers and workplace**

**➔ High costs to society, business: not just
problem of parents**



National Approaches and Policies



Government policies and programmes for childcare

**Wide variation
in government approaches to childcare**

**Market
Approach**

**Public
Entitlement**





Government policies and programmes for childcare

In most countries, government childcare programmes have tended to overlook working parents' needs:

- Under 3s: lack of affordable, quality childcare
- Pre-school education: hours usually shorter than working hours; coverage is incomplete
- School-age children: out-of-school care is not well developed or affordable.



Policies for childcare specific to the *workplace*

Examples of government childcare measures related to the workplace:

- Policies to oblige employers of women to have crèche (may have unintended consequences)
- Grants, subsidies, fiscal incentives
- Support services (e.g., training of staff, health checks, setting standards)



Overview of government policies for working parents' care needs

- Working conditions for workers to attend to care needs
 - Leave policies (annual and sick leaves, maternity, paternity, parental leaves, emergency leaves)
 - Working time policies (limits on working hours, reduction of overtime, part-time arrangements)
- Access to childcare by others



Workplace Partners and Solutions **for** Childcare



Workplace Solutions for Childcare

In view of the consequences of inadequate childcare for working parents and businesses, workplace partners around the world have stepped in to help find solutions.

- Who is addressing the issues?
- What types of solutions are there?
- With what advantages and disadvantages?



Workplace partners for childcare

- **Employers:** often a major actor in initiating and managing a workplace childcare programme
- **Trade unions:** have often brought the idea to management or negotiated for childcare within collective bargaining agreements
- **Municipalities** (often responsible within the local community)
- **Organizations specialized in childcare** (for profit and NGOS)



Types of workplace solutions

- ***Company or on-site facilities***
- ***Linking with facilities in the community***
- ***Financial support***
- ***Advice and referral services***
- ***Backup emergency solutions***



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On-site crèches

Tend to be found where

- large number of workers concentrated at one site
- few community services available (e.g. rural areas)
- workers have atypical or long hours (health services, industrial plants)
- workers can travel to work with young children
- workplace environment is safe for children



On-site crèches

Finance and Management of on-site crèche

- high variation in fees paid by workers
- little support from government in most countries
- in some cases sub-contract to organization specialized in childcare
- problem of balancing costs and quality
- difficulties in predicting demand and deciding number of places



On-site crèches

Case Example: SOCFINAF coffee plantations in Kenya

- Childcare centre on each of 9 plantations
- Crèche and nursery school for children 3 months to 6.5 years
 - facilities are basic, situated in one-room buildings
 - free for permanent workers
 - includes 2 meals and health care
 - coordinated by HR dept
 - cost to employer is around US\$3 per month per child





On-site crèches

SOCFINAF: Workers' point of view

- appreciate better health and nutrition of children
- can work without interference of childcare problems
- can do more work and earn more
- spouses of male workers can look for work





On-site crèches

SOCFINAF: Employer's point of view

- Crèche programme as part of its CSR policy
- Employer reports
 - ✓ reduced absenteeism
 - ✓ reduced costs related to workplace injuries
 - ✓ low turnover (impact on loyalty and commitment)
 - ✓ greater daily output of women workers





On-site crèches

Case Example: Infosys, Software engineering Bangalore, India

- Crèche for children ages 2.5 months to 5 yrs
- Parents' fees cover most of the operating costs
- Fees are relatively high, but demand is strong because of quality and convenience of services
- Staff receive training in child care and education





On-site crèches

Infosys: Workers' point of view

- Appreciate freedom from worrying about care
- Pleased with educational programming
- If not for the crèche, parents would hire a caretaker, search for another crèche, or quit work: Workers see these alternatives as less affordable or convenient





On-site crèches

Infosys: Employer's point of view

- Feels the crèche is valued by employees
- Attributes the high retention rate at the company in part to the crèche



On-site crèches

Sometimes on-site childcare centres are initiated by other workplace actors:

Trade unions

Employers' organizations, zone authorities, etc.

Organizations specialized in childcare



particularly in areas where there is a concentration of enterprises like industrial zones, business parks, airports or shopping malls.



On-site crèches: Trade Unions

Case Example:

Trade union centers in Nawanakhon and Phra Pradaeng industrial areas, Thailand

Trade unions established and run childcare centers for workers, most of whom are low-income earners.

- Workers were involuntarily sending their children to live with grandparents in the provinces because of the lack of local childcare solutions.
- Most operating expenses comes from parents' fees, so there is a tendency to accept a high number of children.
- Financial concerns and sustainability are constant worries.
- Parents highly appreciate the developmental and education benefits of the centres.





On-site facilities for older children

- After-school care often developed as an extension of a facility for pre-schoolers
- May be very simple: a room at work where children can wait for parents after school
- Help during school holidays: opening creches to school children, or running activities or camps during school holidays



Types of workplace solutions

- *Company or on-site facilities*
- ***Linking with facilities in the community***
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Linking with facilities in the community

Rather than childcare at or near the workplace, workers often prefer to use childcare that is close to home. There are various ways that enterprises have been helping workers access community care:

- Negotiating discounts for employees
- Reserving places
- Providing support to improve the quality of childcare available in the community



Linking with facilities in the community

Case examples:

- **FURNAS, Brazil** – system of accreditation of crèches for employee reimbursement
- **Barhat (BHEL) India** – linked with Sports Authority of India for holiday sports for children
- **Magyar Telecom**
 - reserved places in private kindergartens
 - negotiated discounts with summer camps





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Financial support

Workplace actors can also develop financial supports for working parents to choose their own provider:

Governments may allow tax sheltering of care expenses.

Employers have designed a variety of systems to provide financial support to workers.

Care Funds, often bipartite or tripartite, to subsidize care used by employees of participating employers.

- Healthcare union and employers (1199 SEIU/Employer Fund, U.S.A.)
- Tripartite EPZ Labour Fund (Mauritius)



Financial support

Support to individual employees

- **Aguas Andinas (Chile)** – the company replaced its childcare centre with direct financial support

Support to a childcare fund

- **1199 SEIU (U.S.A.)** – the SEIU union and employers negotiated an agreement in which a percentage of payroll is contributed to a fund which runs childcare programmes for workers



Financial support

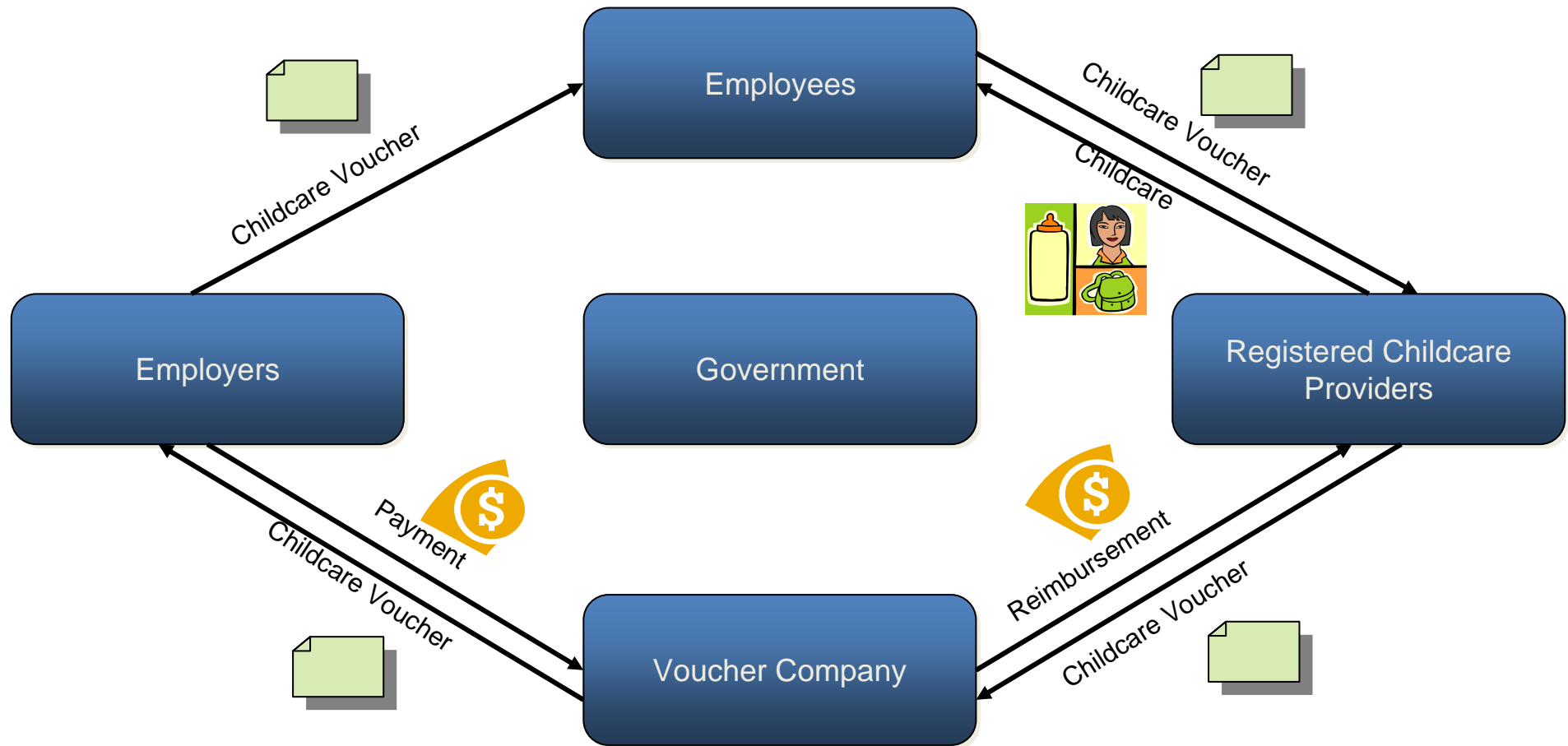
Government help through tax exemptions

- employees do not pay tax on salary used for childcare (up to limit)
- employers do not pay social security etc. on salary used for childcare

Examples of mechanisms include ***voucher systems*** (e.g. Chile, France, U.K.), ***dependent care spending account systems*** (U.S.).



Case example: operation of a voucher scheme





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Advice and referral services

Advice and referral services linked to the workplace:

- Provide basic information on available services
- Help workers link with them
- Help save employees' valuable time, as they may not have been familiar with services in their locality.
- May assist workers in understanding and using all available benefits.
- Are more common in industrialized countries



Advice and referral services

Case Example: The Royal Marsden NSH Foundation Trust, U.K.

In house advice for all staff, including:

- How to access different types of care
- How to apply for tax credits
- Understanding leave policies and general advice on reconciling work and family
- Support for expecting mothers on planning leave, identifying working options, and maintaining contact



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Backup emergency care

Helps parents when regular childcare arrangements break down. Can be at the child's home, at a childminder's home or in a centre.

Can include:

- Referral service, registered childminders
- Outsourced service providers
- On-site service (rare)
- Financial support for backup care



Backup Emergency Care

Case Example: IBM, Hungary

- IBM contracts with an agency to provide emergency backup care in employees' homes
- Employees can use the service without limit
- IBM subsidizes the costs, employees pay 70%
- Service agency provides monthly reports for planning and monitoring





Workplace Solutions: Evaluating the Options

Different workplace solutions fit different situations and needs.

To choose what will work for a particular situation:

- Assess the needs
- Evaluate advantages and disadvantages of different types of solutions (see handout)
- Monitor results, measure benefits



Mobilizing Action: The Role of Government

Government: lead role in setting the policy framework for childcare that meets diverse needs, including those of workers and employers.

Benefits of well designed public support for workplace initiatives can:

- Increase resources for childcare
- Encourage partnership and innovation
- Improve responsiveness to parents' needs
- Support women's labour force participation



Mobilizing Action: The Role of Government

Despite the potential benefits of public support for workplace initiatives, the following are important considerations:

- Workplace initiatives alone are unlikely to reduce poverty and inequality.
- Measures requiring employers to provide childcare support can have negative consequences for workers and employers.



Mobilizing Action: The Role of Government

Important Considerations, cont'd

- Workplace initiatives should be linked to broader public childcare strategies and goals
- The design of workplace initiatives should take into account the working conditions of caregivers.



Mobilizing Action: Workplace Actors

- The involvement of workplace actors in childcare is partly shaped by government framework
- Still, there is considerable scope for the partners to better leverage their positions and constituencies
- Many innovative examples exist, but they are not yet widespread



Workplace Actors: What can Trade Unions do?

- Advocacy, participation in policy dialogue on childcare;
- Negotiating collective bargaining agreements that include childcare support;
- collaborating with an employer to help set up childcare support;
- setting up childcare facilities for workers;
- Organizing childcare workers to improve their conditions of work and training opportunities.



Workplace Actors: What can Employers' Organizations do?

Employers' organizations (or sometimes associations or coalitions) have promoted childcare by:

- engaging in national policy debates;
- mounting or supporting campaigns for policy changes;
- setting up enterprise awards;
- compiling good practices; and
- providing tools, services, information.



Workplace Solutions: Partnering for Success

Case studies show many innovative examples of maximizing resources and expertise through partnerships. Partnerships offer a can achieve the following:

- Bring together diverse capabilities, resources
- Take advantage of existing facilities, services
- Pool resources



Childcare introduces efficiency in the workplace, as parents can work in a peaceful state of mind. They know that their children are well fed, secure and protected...[which] is key to workers' safety at work, but also to employers, enabling them to reduce costs resulting from workplace injuries and health claims. Childcare has an obvious impact on the company's productivity.

-Plantation manager, SOCFINAF, Kenya





For more information:

www.ilo.org/travail

Contact:

Ms Naomi Cassirer

Email: cassirer@ilo.org

and

Ms Laura Addati

Email: addati@ilo.org

