



# Childcare issues

challenging workforce participation



Raising children is important for millions of people around the globe and so is work. Many want to do ~~both~~ both and don't believe that lack of childcare should stand in the way. The economic contribution from those who want to work could be enormous if only a way could be found to meet their childcare needs.



## Introduction

The question of how to balance work and family is one of the pervasive issues of modern society.

For many people, the choice of whether to place children in childcare is a difficult and emotive one. For many, there are no easy options. Households that rely on two incomes as well as single parents often have no choice but to utilise childcare.

Even families that are economically well off may see both parents working as much for stimulation and enjoyment as for financial reasons, and therefore relying on childcare.

All too frequently, choices about childcare involve some compromise. But what if childcare choices were made easier? What would be the impact on employment choices and the workplace if childcare were accessible and of good quality?

This survey looks at the employment choices that people would make if they were able to gain better access to quality childcare.

The findings are the result of an extensive global survey conducted by Kelly Services during late 2006.

The Kelly Global Workforce Index sought the views of approximately 70,000 people in 28 countries covering Europe, Asia Pacific and North America. The survey gives an insight into the challenges that childcare presents to working families, and an indication of the impact that appropriate childcare policies can have on employment and workforce participation.

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## What the survey found

The survey found that a very significant number of people actually wanted to undertake more paid work but were being held back by a lack of adequate childcare.

They say that they would work longer hours or be more productive if quality childcare were available.

Of those who wanted to take on greater work, a relatively large number are quite highly trained and could clearly make a valuable contribution to the workforce.

Typically, it is women who are most affected by the decision to either stay home and look after a child or rely on childcare.

However the survey shows that there are also a surprisingly large number of men who say that lack of childcare is restricting their ability to work.

The major barriers to finding childcare are cost, quality of service, and waiting lists, although there are some significant differences between countries depending on government policies on childcare and varying approaches by employers.

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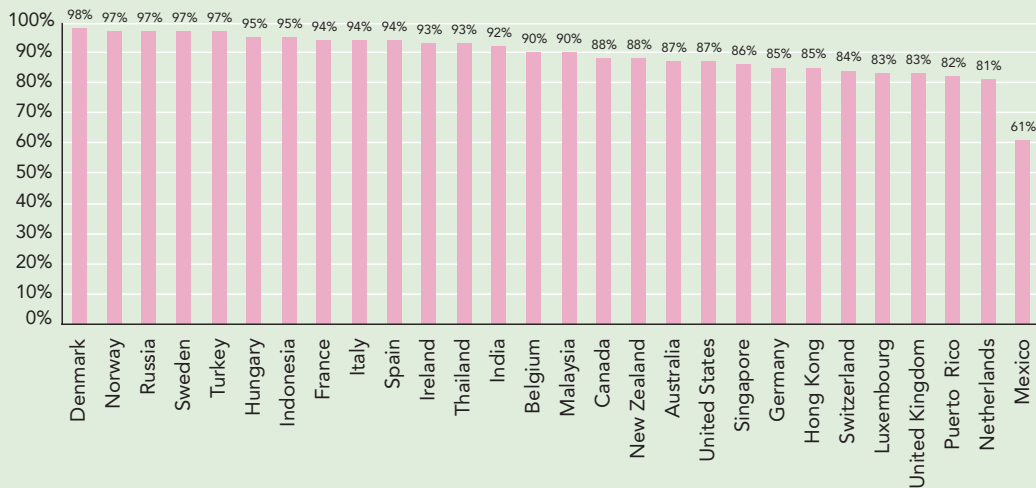


## The importance of childcare

Respondents in all countries were asked about their current situation with childcare and how important childcare was to them. In almost all countries, childcare was important to the respondents and was rated so by a very significant share of the population.

In all but one country, childcare was rated as extremely important/very important/important by more than 80% of respondents.

### How important to you is childcare? (%)





## Obstacles to Childcare

The question of finding the right choice in childcare is not always easy. There are numerous considerations for anyone thinking of suitable childcare including cost, quality of service, distance from work and home, hours of operation, as well as issues surrounding eligibility, waiting lists and provision of certain tax incentives by governments.

The survey selected four of the main criteria to ascertain which factors weighed most heavily in determining a parent's decision whether to use a given childcare option. The four criteria selected were cost, quality of service, travelling time and waiting lists.

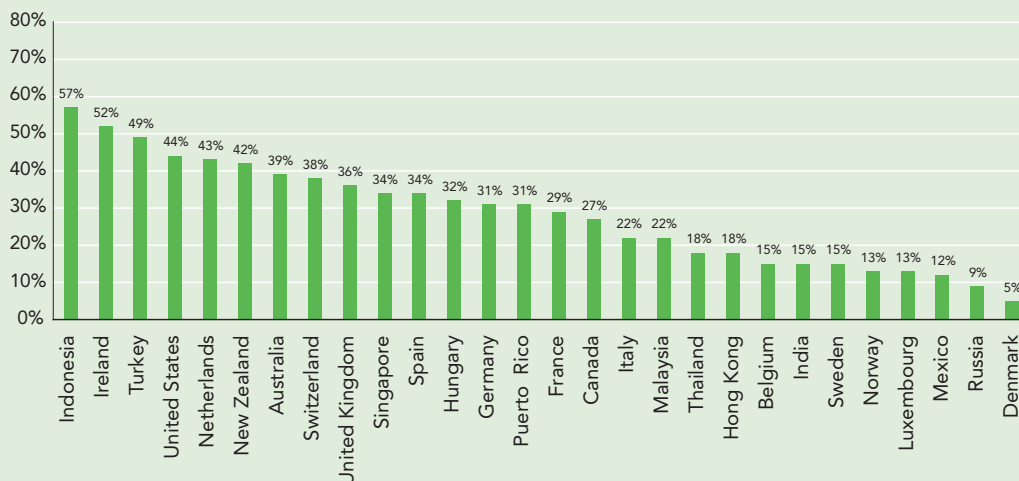
The two factors, which dominate across most of the countries in the survey, are cost and quality of service, but in different countries all factors come into play.

It is clear that cost is a major obstacle to finding suitable childcare in a number of countries. Several countries had more than 40% of respondents citing cost as the biggest single factor stopping them from accessing childcare. These were Indonesia, Ireland, Turkey, United States and New Zealand.

The issue of quality of childcare is also a major factor in determining a suitable caring option for parents. There are many models of childcare ranging from community-based to faith-based childcare centres, government-run and private facilities.

The issue of quality is subjective but, in a general sense, parents or carers will be looking for a service that provides children with a safe, secure and nurturing environment, where there are opportunities for children to learn and socialise with others.

Percentage of respondents who cited 'Cost' as the biggest single obstacle to finding appropriate childcare (by country)





Obstacles to childcare continued from page 6

We see that quality, along with cost, emerges as the dominant factor determining an optimum childcare choice.

Quality of service is a major issue for those considering childcare across the board. For a handful of countries – Thailand, Hong Kong, Malaysia, Puerto Rico, India and Russia – it is the dominant issue. For a host of other nations, there is more than a third of the population who are clearly concerned about the quality of childcare available.

The focus on quality in childcare by so many carers is hardly surprising. Anyone considering childcare will want the peace of mind that they have made the best possible choice for their child.

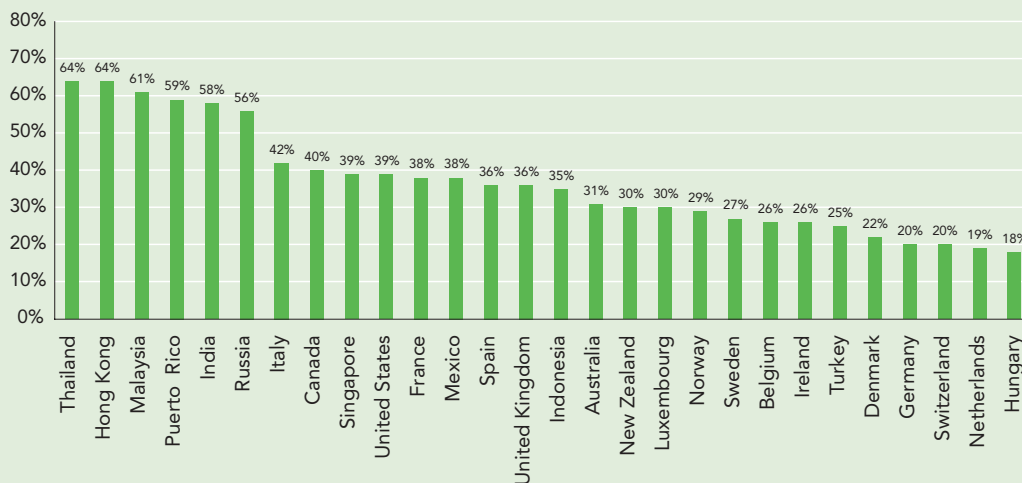
Making a judgement about quality can be difficult in itself. Unlike the issue of cost, assessing quality is not always an easy task. Carers frequently do not have all the information to make an informed decision

and may be forced to rely on feedback or recommendations from others. Where there are waiting lists or time pressures, assessing all the necessary information and making the right choice can be even more problematic.

Waiting lists emerged as a severe problem in only a small number of countries. Denmark, Norway, Sweden, Belgium, Luxembourg and Italy stand out for having waiting lists that were a significant obstacle for many parents.

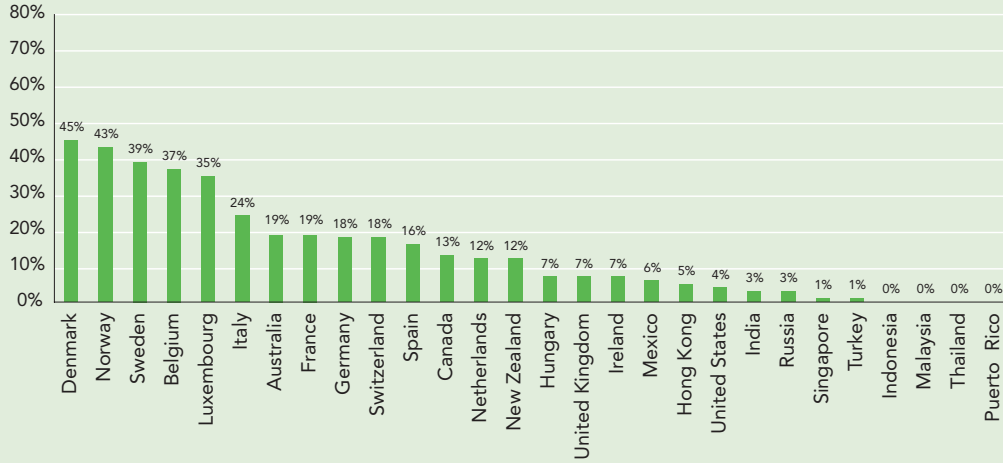
Travelling time appears not to be a major hurdle in the way of finding the right childcare. Virtually across the board, travelling time was the least significant of the issues considered in the childcare decision, perhaps reflecting the willingness of carers to go to some length to accommodate their offspring under optimal conditions.

Percentage of respondents who cited 'Quality of Service' as the biggest single biggest obstacle to finding appropriate childcare (by country)

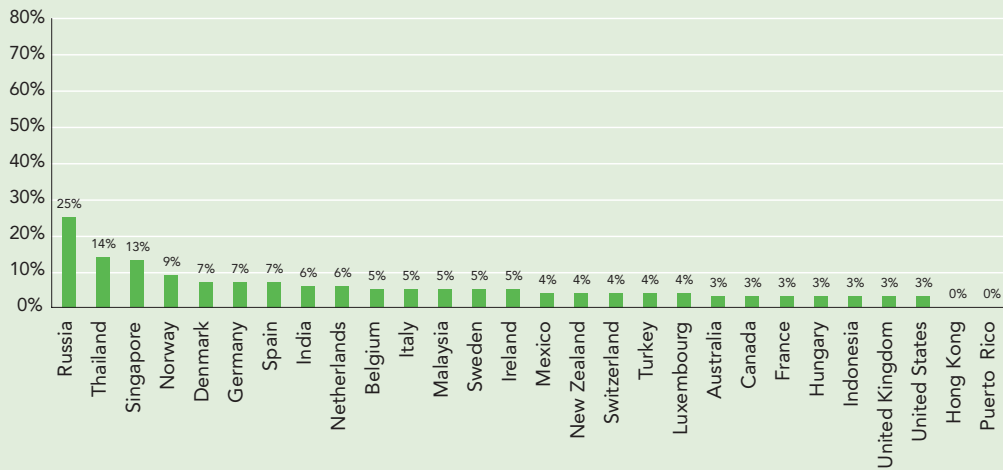




Percentage of respondents who cited 'Waiting Lists' as the biggest single biggest obstacle to finding appropriate childcare (by country)



Percentage of respondents who cited 'Travelling Time' as the biggest single biggest obstacle to finding appropriate childcare (by country)





## Labour force participation

One of the aims of the survey was to explore the extent to which parents or carers of children would be prepared to undertake more paid work if they could find suitable childcare.

Clearly, juggling the demands of children makes it difficult to always find work that fits in with the requirements of family life. It is easier if there is one primary carer who stays at home but this is far from the norm in many situations. Economic necessity often means many couples both need to work. Single parents who want to work need to have well adapted time management and resource skills.

Some make the decision that juggling work and child caring responsibilities is not worth the effort or the additional income. But many people want to do both for either financial or lifestyle reasons.

The survey set out to find an answer to the question: "Do you believe you would work longer hours or be more productive if quality child care was more accessible"?

Across the 28 countries in the survey, an average 54% of respondents said they would be prepared to work longer or harder if the right childcare were available.

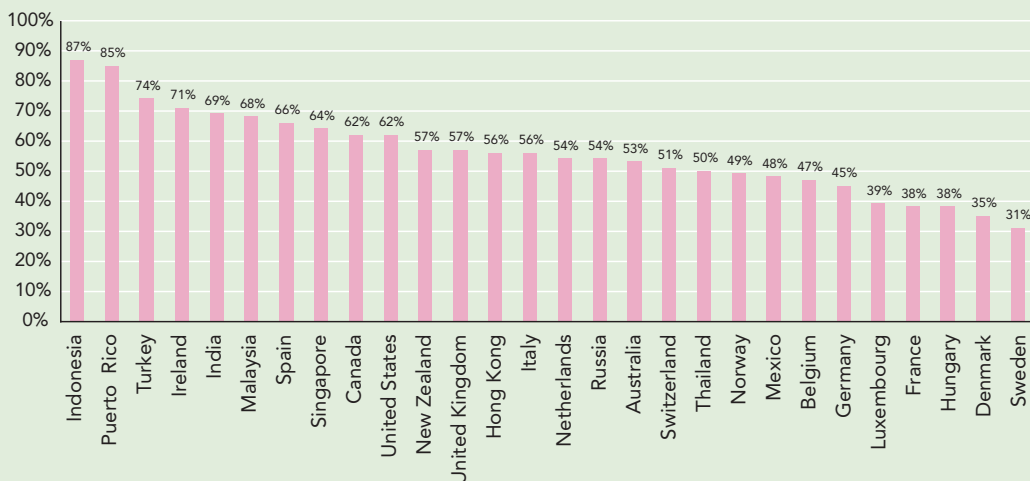
In 19 of the 28 countries surveyed, 50% or more stated their willingness to undertake more work if suitable childcare was available.

This represents a vast untapped source of labour that wants to engage in the workforce. It comprises both those people who would be willing to take on a job, as well as those currently working who would work longer hours or be more productive while they are at work.

It is understandable why those who are caring full time for children may find it hard to return to full time work. What this survey suggests is that many would be willing to take on part time or casual work or perhaps work from home.

It is also easy to understand the plight of the worker who has to rush to or from work while juggling childcare duties. That person is probably distracted and not working to full capacity.

Do you believe you would work longer hours or be more productive if quality childcare was more accessible? (Yes % by country)





Labour force participation continued from page 9

It is also a conventional wisdom that mothers are the ones traditionally tied to the caring function. While women are most heavily entrenched in this role, one of the surprising elements was the large proportion of men who said they would work longer or be more productive if suitable childcare were available. Of those wanting greater engagement with the workforce, women comprised 54% and men made up 45%.

The result is that across many countries, a vast pool of the population wants to work but can't because childcare arrangements are not satisfactory.

This represents an enormous loss of productive capacity and a significant waste of human capital. Many of these people will have previously had good careers. They are willing and able to rejoin the workforce or contribute more fully but are being denied the chance because they can't rely upon the childcare system.

Furthermore, the survey found that a significant percentage of those who want to do more work are amongst the best educated, and therefore have the potential to make a positive contribution to the economy.

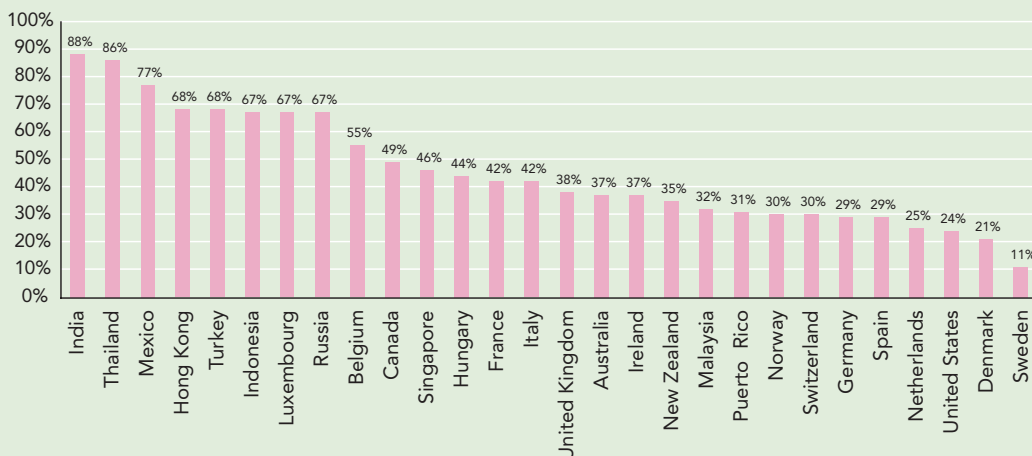
In 18 of the 28 countries, at least one third of those who want to do more work have a university degree. Several newly industrialising economies as well as developed countries have rates of around 70% or greater. These include India, Thailand, Mexico, Hong Kong, Turkey, Indonesia, Luxembourg and Russia.

With such a highly educated reservoir of talent, it raises the question as to whether government policies to encourage, even subsidise, childcare can produce a positive return to governments through the increased productive capacity and taxation receipts generated by those who want to work.

Aside from the direct economic benefits, the provision of childcare also has positive community wide benefits arising from children being exposed to opportunities for learning and development.

Increasingly, much of the focus for the provision of childcare is shifting from governments and community to employers. Work based childcare is a reality in some situations but for many, government and the private sector remain the only viable options.

Percentage of parents with university degrees who would be prepared to work more if quality childcare were available (by country)





## Conclusion

It is clear is that communities across the globe are speaking loudly on the common problem of striking a balance between work and family. Provision of quality childcare is at the heart of that dilemma.

People regard childcare as important but they also have the desire, or need, to work.

Childcare can be costly, or of questionable quality. Often it's not available at any price.

People can be locked out of the workforce altogether or shackled by the need to meet gruelling daily demands of travel and work. Significant numbers of these are highly educated and trained, and potentially able to make a valuable contribution to the economy and the community.

Some employers have risen to the challenge with family-friendly options that include flexible work hours, part time or casual work. But that is not available to all, and the growing numbers of disenchanted carers suggests that any effort to produce innovative childcare solutions could generate significant economic benefits.

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