Tackling Childcare Pakistan: Creating Family-Friendly Workplaces

March 2021
Content

• Context & Employer-Supported Childcare
• Research Overview & Project Timeline
• Key Findings
• Policy Context
• Priority Actions
• Peer-Learning Collaboration on Family-Friendly Workplaces
• Annex: Examples of Childcare Solutions in Pakistan
Pakistan’s development roadmap ‘Vision 2025’ sets ambitious target for increasing female labor force participation by 2025

- Current female labor force participation of 23% (vs. 82% for men)
  - Lowest in the region, one of the lowest in the world
  - Government’s target: 45% by 2025
- Women do more than 90% of all unpaid care work in Pakistan
- Childcare often a barrier to women’s participation in the labor force
- Employer-supported childcare can supplement public provision and benefit women, children, businesses, and the economy

Employer-Supported Childcare: good quality, affordable childhood care and education services provided or supported by employers for their employees’ children who are of preschool age (6 months-5 years)
Employer-Supported Childcare

- Can help address the gender employment gap → increases mothers’ likelihood of earning a formal wage/reduces their likelihood of dropping out of the workforce (Women, Business and the Law, 2016)
- If of good quality, can improve child development outcomes, leading to better health and productivity in adulthood (World Bank, 2019)
- Can help employers achieve better business outcomes, including lower absenteeism, turnover and higher productivity
- Employer-supported childcare can take many forms

- On-site childcare centers, run by the employer or a third party
- Off- or near-site childcare centers sponsored by one or more companies, including in the communities where employees reside
- Childcare vouchers, subsidies, stipends, discounts, reserved seats
- Back-up, after-hours, and sick child services
- Resource and referral services
- Breastfeeding support, safe transport, and other family-friendly policies

Research Overview

Tackling Childcare Pakistan:

Objectives:

‣ Understand the demand for care services from employers and employees
‣ Explore the supply of childcare by providers
‣ Understand the policy context for employer-supported childcare
‣ Identify obstacles and barriers to implementation and areas for priority action
‣ Bring together public and private sector partners to discuss challenges, opportunities, and next steps

Methodology:

Online survey with 140 employers

9 focus group discussions with 70 employees in 3 cities (blue- and white-collar workers)

Interviews with 21 policy stakeholders

Visits to 22 childcare providers in 5 cities
Project Timeline

- **Project launch**
  - October 2019

- **Data collection**
  - (survey, interviews, FGDs)
  - November 2019 - April 2020

- **Validation of findings with key stakeholders**
  - November 2020

- **Launch of study findings & public dialogue**
  - March 2021

- **Support to Pakistani firms to explore childcare solutions**
  - Continuous
COVID-19 Considerations

Data collection period: November 2019 – April 2020

• Data collection mostly before pandemic onset
• Effect on study
  • Wrapped up data collection early
  • Delayed findings’ validation
  • Postponed launch of results
• Findings remain relevant; baseline for future studies
• COVID-19 impact
  • Changes to business priorities
  • Childcare’s importance more evident
  • Working mothers struggling with added childcare responsibilities
  • Disproportionate economic impact on women
• Actions to support women’s participation in the workforce and identifying
durable childcare solutions even more critical

Source: ProMarket.org
Profile of Respondents

- **140** companies, representing **300,000+** employees
- **85%** male employees
- **15%** female employees
- **59%** of respondents from Karachi, **19%** from Lahore, **12%** from Islamabad, **10%** from other cities
- **Local companies: 76%, multinationals: 17%**

Employers by Industry

- **32%** Financial Services
- **24%** Other Manufacturing
- **24%** Textile / Synthetic
- **11%** Other Services

Size of Employers

- **39%** More than 1000 employees
- **20%** Between 101-500 employees
- **29%** 100 or less employees
- **12%** 501-1000 employees

*N=123

Other services include: Education, Healthcare, Professional Services, Engineering, Technology, Communications, Transportation, Construction.*
Women with young children staying mostly out of the workforce; 44% of employees work "non-standard" shifts; more than 40% have 1h+ commute each way

- Of all employees estimated to have children in the 0-5 age range, 93% are male and 7% are female

- Women with young children strongly under-represented in employers' workforce

"Standard shifts" for the purpose of this research are considered daytime shifts 5-6 days/week, all others are considered "non-standard"
27% of employers provide childcare support; 58% do not

- **58%** of total respondents do not currently provide childcare facilities: 44% said they were yet to consider it, while 14% said they planned to provide the support.

- **9%** of respondents claimed to provide childcare support but then offered no evidence of it in their responses (therefore were not counted as providing childcare support).

- **6%** of respondents provided no answer to the question.

### Provision of Childcare Facilities

- **Childcare support in place** 27%
- **Plan to provide childcare support** 14%
- **Awaiting implementation** 16%
- **Regardless of legislation** 95%
- **Due to legislative environment** 5%
- **Yet to consider childcare support** 44%

*N=140*
44% of employers offer paid paternity leave; less than a quarter offered work-from-home options (pre-COVID-19)

• 14% or 1 in 7 respondents do not offer paid maternity leave (mandated by law in all provinces in this study); 6% said they do not plan to offer it

Family-Friendly Policies at Work

Offer paid maternity leave to female employees: 86%
Offer paid paternity leave for male employees: 44%
Offer flexibility in telecommuting to work: 22%

Top 5 family-friendly policies currently offered by respondents

1. Paid maternity leave
2. Recruitment and promotion panels focused on making gender-balanced personnel decisions
3. Transportation for female employees
4. Employee training on how to better manage work/life challenges
5. Performance appraisal system considering that employee was on parental leave

N=116
64-77% of employers in the country's two largest provinces are familiar with some legislation on childcare support and family-friendly policies.

*N=73, **N=48

Only respondents from these two provinces answered the question.
Almost half of employers do not ask employees about their childcare needs; 77% of employees consulted by employers prefer on-site childcare.

Feedback Solicited from Employees on Childcare Needs

- 49% Yes
- 34% No
- 11% Solicited but did not receive any feedback
- 6% Don't know

Employees’ Preferred Childcare Arrangements

- On-site daycare center: 77%
- Care by a family member nearby or in-home: 20%
- Near-site daycare center: 14%
- Care by a non-family member in their home (e.g., nanny, …): 9%
- Daycare center located near employees’ home: 9%
- Other arrangements: 6%
- Not applicable: 6%
- Partnering up with an external daycare service provider: 6%
- No preference: 3%

Attributes of Childcare Facilities Sought by Parents Consulted by Employers

- Safety and cleanliness: 48%
- Affordability: 36%
- Highly trained caretakers: 36%
- Convenient, flexible hours: 33%
- A focus on learning and education: 33%
- Others: 27%
- Low child-to-caretaker ratio: 15%

N=35
This question was answered by all organizations – those providing, planning to provide and not planning to provide childcare support.
Employers providing childcare support: formal requests a common way of assessing demand; most employers offer on-site childcare

Assessing Demand for Childcare Among Employees*

- Formal requests from employees: 36%
- Childcare needs assessment: 33%
- Informal requests from employees: 17%
- Don't know: 11%
- Did not assess demand before offering childcare: 3%

*N=36

• 36% of organizations reported that some employees do not use company provided childcare support options as they prefer other childcare arrangements (N=36).

What Childcare Support Entails to Organizations Providing It

<table>
<thead>
<tr>
<th>Top 5 Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. An on-site daycare center operated by your organization – 61%</td>
</tr>
<tr>
<td>2. Other forms of childcare support* – 16%</td>
</tr>
<tr>
<td>3. A childcare subsidy provided to employees – 16%</td>
</tr>
<tr>
<td>4. A near-site center in partnership with an established daycare provider – 11%</td>
</tr>
<tr>
<td>5. A community-based arrangement near employees’ homes – 8%</td>
</tr>
</tbody>
</table>

*N=38

* Other forms of childcare support include paid leave for parents and allowance for external daycare/nanny arrangements.
Childcare support often available to male and female employees; female employees use it more often

**Availability of Childcare Support to Male & Female Employees**

- **53%** Provide childcare support to both male and female employees
- **24%** Provide childcare support to female employees only
- **16%** Provide childcare support to all employees with preference given to females
- **8%** Did not know

**Utilization of Employer-Supported Childcare**

- 80% Female employees using childcare support
- 20% Male employees using childcare support

*N=38*
Main reasons for providing childcare support: employee retention, need, and productivity

Main Motivations for Offering Childcare Support

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee retention</td>
<td>79%</td>
</tr>
<tr>
<td>Employee need</td>
<td>58%</td>
</tr>
<tr>
<td>Employee productivity</td>
<td>53%</td>
</tr>
<tr>
<td>Diversity &amp; Inclusion (D&amp;I) initiative</td>
<td>50%</td>
</tr>
<tr>
<td>Attracting talent</td>
<td>45%</td>
</tr>
<tr>
<td>Employee absenteeism</td>
<td>21%</td>
</tr>
<tr>
<td>Compliance with legislative requirements</td>
<td>8%</td>
</tr>
<tr>
<td>Other reasons</td>
<td>5%</td>
</tr>
<tr>
<td>Compliance to access and retain clients / buyers</td>
<td>3%</td>
</tr>
</tbody>
</table>

N=38

“Other reasons” encompass “employee satisfaction” and “employee ownership.”
Almost a quarter of respondents cited increased profitability and nearly 80% mentioned increased employee productivity as benefits associated with provision of childcare support.

Benefits Associated with Provision of Childcare Support Observed by Employers

- Employee retention: 92%
- Better employee work/life integration: 91%
- Workplace culture*: 89%
- Position / Branding as employer of choice: 81%
- Motivation / improved morale of employees: 78%
- Increased employee productivity: 78%
- Talent acquisition: 69%
- Women's career advancement: 64%
- Increase organization profitability: 24%

N=38

* Workplace culture: More satisfied, engaged and loyal working parents.
Mixed levels of financial support towards childcare costs common; one-third covers the full cost

Childcare costs supported by employers

- **34%** Pay 100% of childcare center usage fees
- **22%** Pay a portion of childcare center usage fees
- **11%** Offer a fixed allowance or subsidy
- **8%** Offer a sliding scale based on employee position or salary
- **13%** Offer other form of employee childcare support
- **5%** Did not know

_N=38_

- More than 70% of employers offer childcare support to children under the age of 5; 29% serve children older than 5 (N=35)
- On average, employers support the childcare needs of 25 children each (N=27)
- 61% of employers offer childcare support that is available during "standard" business hours: 8am-6pm (N=73)
Lactation support offered by nearly three-quarters of employers; safe transportation supplied by almost 30%

Additional Family-Friendly Support Offered by Employers

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>A separate room for lactation and breastfeeding facilities</td>
<td>74%</td>
</tr>
<tr>
<td>Transportation for parents and children</td>
<td>29%</td>
</tr>
<tr>
<td>Structured early education / learning program</td>
<td>26%</td>
</tr>
<tr>
<td>Shower facilities for children</td>
<td>17%</td>
</tr>
</tbody>
</table>

N=35

Structured early education/learning program refers to childcare or early education with an intentional focus on children’s learning experience, often involving planned lessons and learning opportunities.
Employers planning to provide childcare support: more than half are considering on-site childcare as top option

- 14% of companies surveyed (around 20 companies) are planning to provide childcare support options*
- 53% of companies claimed on-site childcare was their top option under consideration**
- 31% of respondents plan to offer a fixed allowance or a subsidy to help pay for external childcare center usage fees, 23% plan to pay 100% of childcare center usage fees for employees***

*N=140, **N=15, ***N=13
Main financial and legal challenges cited include cost of infrastructure and lack of clarity about liability

Main Challenges Cited

<table>
<thead>
<tr>
<th>Financial</th>
<th>Legal/Regulatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of building the <strong>infrastructure</strong> for an on-site daycare center (46%)</td>
<td>Lack of clarity on the organization’s <strong>liability</strong> related to the care of children in the daycare center (54%)</td>
</tr>
<tr>
<td>Cost to the organization of daycare center <strong>operating expenses</strong> (38%)</td>
<td>Lack of clarity on the characteristics of “<strong>quality childcare</strong>” (46%)</td>
</tr>
<tr>
<td>Cost to the organization of <strong>partnering with an existing daycare center</strong> (23%)</td>
<td><strong>Have not encountered any of these challenges</strong> (46%)</td>
</tr>
<tr>
<td>Cost of <strong>insurance</strong> (15%)</td>
<td>Lack of clarity on <strong>health and safety regulations</strong> (38%)</td>
</tr>
<tr>
<td>Other financial challenges (15%)</td>
<td>Lack of clarity on <strong>minimum standards</strong> for the operation of a daycare center (38%)</td>
</tr>
</tbody>
</table>

*N=13

* Other financial challenges include non availability of space; lack of a business case for onsite daycare facility due to the low number of people who want to avail such a facility.
Main provision-related, organizational challenges cited include lack of space for on-site center and commuting issues

Main Challenges Cited

<table>
<thead>
<tr>
<th>Provision-related</th>
<th>Organizational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of space to build an on-site daycare center (43%)</td>
<td>Employees not wanting to commute to the office/work site with their child (31%)</td>
</tr>
<tr>
<td>Finding an existing daycare center that matches employees’ work hours (29%)</td>
<td>Employee perceptions of daycare center quality (31%)</td>
</tr>
<tr>
<td>Finding an existing daycare center that meets quality standards (29%)</td>
<td>Understanding employee need (31%)</td>
</tr>
<tr>
<td>Identifying existing quality, affordable daycare centers (29%)</td>
<td>Employee preference for other types of childcare (23%)</td>
</tr>
<tr>
<td>Finding an existing daycare center that is conveniently located for employees to use (21%)</td>
<td>Have not encountered any of these challenges (23%)</td>
</tr>
</tbody>
</table>

N=13
Lack of quality, affordable childcare centers reported; most useful resource is talking to other employers offering support

Reported Existence of Quality, Affordable Childcare Centers

- Near the Worksite:
  - Yes: 56%
  - No: 19%
  - Don't know: 25%

- In Employees’ Communities:
  - Yes: 44%
  - No: 31%
  - Don't know: 25%

Most Helpful Resources Cited by Employers

- Talking to other employers that already offer childcare solutions: 77%
- Accessing international guidelines and resources to support implementation: 38%
- Talking to childcare providers: 38%
- Reading case studies and other materials about employer-supported childcare solutions: 23%
- Other resources: 8%

N=16
N=13
Employers not planning to provide childcare support: nearly half do not see the need/benefit of doing so

Main reasons cited for not providing childcare support (44% of total respondents)

Top 5 Responses

- Do not see the need and/or benefits of doing so (48%)
- Expected financial cost of offering childcare support is too high for the organization (33%)
- Do not feel we have the technical competence required to do so (22%)
- Other reasons* (22%)
- Lack of support from organization’s leadership (6%)

N=54

* Other reasons include low number of female employees; family system does not require such planning; Healthcare and Education is provided; Industry is in remote area.
Most cited financial and legal challenges are similar to those raised by employers planning to provide childcare support

Main Challenges Cited

<table>
<thead>
<tr>
<th>Financial</th>
<th>Legal/Regulatory</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Cost of building the infrastructure for an on-site daycare center (44%)</td>
<td>• Lack of clarity on the organization’s liability related to the care of children in the daycare center (38%)</td>
</tr>
<tr>
<td>• Cost of administering childcare support (35%)</td>
<td>• Other legal/regulatory challenges* (34%)</td>
</tr>
<tr>
<td>• Cost to the organization of paying for daycare center operating expenses (31%)</td>
<td>• Lack of clarity on minimum standards for the operation of a daycare center (32%)</td>
</tr>
<tr>
<td>• Other financial challenges* (31%)</td>
<td>• Lack of clarity on health and safety regulations (21%)</td>
</tr>
<tr>
<td>• Cost to the organization of partnering with an existing daycare center (23%)</td>
<td>• Lack of clarity on the characteristics of &quot;quality childcare&quot; (19%)</td>
</tr>
<tr>
<td>• Cost of insurance/cost of licensing and registration (15%)</td>
<td></td>
</tr>
</tbody>
</table>

* Other financial challenges include low number of female employees; family system does not require to consider such planning; need to evaluate and not applicable.

* Other legal challenges cited include family norms; never felt the need; organizations yet to include childcare support in its priorities; none of the above.
Lack of space to build on-site center and understanding employee needs cited as other main challenges

Main Challenges Cited

<table>
<thead>
<tr>
<th>Provision-related</th>
<th>Organizational</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Lack of space to build an on-site daycare center (34%)</td>
<td>• Other challenges (33%)</td>
</tr>
<tr>
<td>• Other provision-related challenges* (34%)</td>
<td>• Understanding employee needs (29%)</td>
</tr>
<tr>
<td>• Finding an existing daycare center that matches employees’ work hours (30%)</td>
<td>• Employees not wanting to commute to the office/work site with their child (24%)</td>
</tr>
<tr>
<td>• Finding an existing daycare center that is conveniently located for employees to use (16%)</td>
<td>• Complications regarding transportation for employees with children (22%)</td>
</tr>
<tr>
<td>• Finding a childcare provider to manage/run your organization’s daycare center (12%)</td>
<td>• Lack of support/commitment from senior leadership (18%)</td>
</tr>
</tbody>
</table>

N=50

* Other provision-related responses include not specific, not applicable, and not identified yet.

N=51

* Other organizational challenges cited include lack of female employees, not applicable, and not identified yet.
Limited knowledge about existence of quality childcare centers; need best practices and financial support

Reported Existence of Quality, Affordable Childcare Centers

- Near the Worksite:
  - Don't know: 10%
  - No: 28%
  - Yes: 62%
  - N=53

- In Employees’ Communities:
  - Don't know: 11%
  - No: 32%
  - Yes: 57%
Limited knowledge about existence of quality childcare centers; need best practices and financial support

Most Helpful Resources Cited by Employers

Top 5 Responses

Best practices for assessing workforce demand for childcare solutions (29%)
Financial support to help offset cost of planning and setting up a daycare or other solution (29%)
Best practices for projecting workforce future daycare center demand (15%)
Guidance on how to finance a daycare center (15%)
Information on liability of providing a daycare center (13%)
Employers in the textile/synthetic sector lead in childcare support; financial sector lags behind

Percentage of Employers Offering Childcare by Sector

- Textile/Synthetic: 57%
- FMCG: 45%
- Other Services: 38%
- Other Manufacturing: 31%
- Financial Services: 20%
Sectors with highest percentage of support to childcare report positive impacts, highlight importance of peer-learning

Textile/Synthetics Sector

- Childcare support in place: 57%
- Plan to provide childcare support: 7%
- Yet to consider childcare support: 36%

Regardless of legislation 100%  Under consideration 100%

- 13% reported positive impacts on Organizational Profitability
- 46% of Textile/Synthetics employers offer breastfeeding/lactation rooms
- Most helpful resources for planning childcare support: Talking to other employers that already offer childcare solutions

FMCG Sector

- Childcare support in place: 45%
- Plan to provide childcare support: 9%
- Yet to consider childcare support: 45%

Regardless of legislation 100%  Under consideration 100%

- 40% reported positive impacts on Organizational Profitability
- Most helpful resources for planning childcare support: Talking to other employers that already offer childcare solutions
Other services and manufacturing employers offer childcare in over 30% of cases

Other Services

- Childcare support in place: 38%
  - 8% Due to legislative environment
  - 19% Awaiting implementation
  - 16% Plan to provide childcare support
  - 43% Yet to consider childcare support

- Regardless of legislation: 92%
- Under consideration: 81%

N=40

- 13% that provide childcare support have reported positive impacts on Organizational Profitability

Other Manufacturing

- Childcare support in place: 31%
  - 10% Due to legislative environment
  - 18% Awaiting implementation
  - 17% Plan to provide childcare support
  - 38% Yet to consider childcare support

- Regardless of legislation: 90%
- Under consideration: 82%

N=29

- 14% of respondents provided no answer
- 11% reported positive impacts on Organizational Profitability
Over 60% of employers surveyed in the financial sector are yet to consider childcare support

- 33% of employers in the financial services sector that provide childcare support have reported positive impacts on Organizational Profitability
Blue- and white-collar workers detail need for childcare and other FFPs in focus group discussions, highlighting quality of caregivers, safety, flexibility and the role of employers

<table>
<thead>
<tr>
<th>Workers</th>
<th>Demand for Childcare Centers</th>
<th>Key Factors of Quality</th>
<th>Availability</th>
<th>Affordability</th>
<th>Demand for Family-Friendly Policies</th>
</tr>
</thead>
</table>
| Blue- and White-Collar | • Majority were nuclear families, both parents working.  
• Most prefer on-site employer-supported CCs as it allows children's proximity to parents during work.  
• Least preference for private facilities due to lack of trust among parents. | • Maintenance of children’s health and hygiene.  
• Availability of first aid and medical help/assistance.  
• Availability of play areas and toys.  
• Safety & security. | • Admission age range between 3 months and 6 years or until age of school entry. | • Medical care benefits for family, including parents/in-laws. |  |
| Blue-Collar      | • Parents who left children at home, unattended or under care of neighbors.  
• Some favored employer-supported community-based CCs. | • Experienced care givers, preferably females, polite staff or elderly women from community.  
• Engaging children in interactive learning activities along with Islamic teachings. | • Duration of stay from 9 to 12 hours preferably in sync with shift timings. | • Parents with limited affordability to pay.  
• Some parents in Lahore requested free-of-cost childcare arrangements.  
• Parents in Karachi stated greater willingness to pay or preference for employer-subsidized arrangement. | • Guaranteed minimum wage (both females and males).  
• Curb discriminatory recruiting practices, especially towards mothers.  
• Better benefits like paid maternity leave, transport, education & living quarters.  
• Awareness on prevalent laws on labor rights. |
| White-Collar     | • Learning environment to support child’s social and personality development. | • Experienced caregivers, preferably female.  
• Engaging children in interactive learning activities.  
• Licensing of childcare centers. | • Advanced care plans for children between 6-13 years.  
• The services should be available during the morning and evening timings.  
• Flexi timing to allow parents to use facility on need basis. | • Most parents willing to pay depending on quality of service.  
• Majority of parents stated greater willingness to pay or preference for employer-subsidized arrangement. | • Better benefits like earned leave, paid paternity leave, transport, education & loan facilities.  
• Flexible working arrangements (particularly for young mothers).  
• Mental health-related programs. |
Shortage of trained caregivers common in sampled childcare centers; safety protocols mostly maintained

- Shortage of trained and qualified caregivers at most facilities
- Most common caregiver profile: domestic staff, also known as “ayahs” (some with on-the-job training)
- Formally qualified caregivers and teachers present only in a few high-end and off-site facilities
- Structured care and learning program for different age groups rarely available
- Educational material including books and toys available in most centers
- Co-curricular and extracurricular activities offered by most centers
- First aid kits and a caregiver trained in CPR mostly present
- Appropriate diaper change and sanitary disposal facility often available
- Regular disinfection of toys reported in many centers
- Records for child immunization/vaccine maintained in most centers
- Hazardous materials, equipment and medication kept out of children’s reach in most cases
- Protocols often in place to report signs of domestic child abuse
- Spacious indoor environment common, but limited sunlight and ventilation often noticed
- Centers located in larger buildings often lacked outdoor play space
- Green spaces rare among those with an outdoor area
Policy Context

Original National Acts – Now Devolved to Provinces

Factories Act, 1934; West Pakistan Shops and Establishments Ordinance, 1969; and West Pakistan Maternity Benefits Ordinance, 1958

Main Provincial Acts Related to Childcare & Family-Friendly Policies

**ICT**

1. Paternity Leave in Pakistan*
2. Daycare Center Act 2018 & Private Bill on Paternity Leave (Private Bill moved in Senate)

**Punjab**

1. The Punjab Shops and Establishment (Amendment) Bill 2013
2. Punjab Factories Rules, 1978
3. The Punjab Factories Act (Adopted from Factories Act 1934)
4. The Punjab Maternity Benefit Ordinance, 1958

**Sindh**

1. The Sindh Maternity Benefits Act, 2018
2. The Sindh Factories Act, 2015
3. The Sindh Shops and Commercial Establishment Act, 2015

**Khyber Pakhtunkhwa**

1. The Khyber Pakhtunkhwa Shops and Establishment Act, 2015
2. The Khyber Pakhtunkhwa Factories Act, 2013

**Balochistan**

1. The Factories Act, 1934 (Baluchistan)
2. The West Pakistan Maternity Benefit Ordinance, 1958

**Example**

<table>
<thead>
<tr>
<th>Province</th>
<th>Female Employee Threshold for Providing Childcare Services, Provincial Factories Acts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sindh</td>
<td>Irrespective of number of female employees</td>
</tr>
<tr>
<td>KPK</td>
<td>More than 20</td>
</tr>
<tr>
<td>Balochistan</td>
<td>More than 20</td>
</tr>
<tr>
<td>Punjab</td>
<td>More than 50</td>
</tr>
</tbody>
</table>

* The Gazette of Pakistan, Extra Jan 9, 2019, Sindh Police Notification, Punjab Revised Leaves Rules, National Commission on the Status of Women
Low levels of policy awareness, financial allocation and priority make enforcement of existing regulations difficult

Barriers to the Implementation of Existing Legal Acts Cited by Policy Makers and Stakeholders

- Limited knowledge of existing family/childcare provisions among policy enforcement agencies and implementers
- Inadequate financial allocations to government departments responsible for raising policy awareness, providing support to employers and monitoring compliance
- Family-friendly policies are low on priority targets for policy enforcement institutions
- Limited consultation with employers, industry associations and chambers prior to regulation approval make implementation more difficult
- Lack of population awareness about the benefits of good quality childcare for child development; reliance on family help for childcare
Governments can support employers with childcare implementation: an example from Punjab

### The Punjab Daycare Fund Society (PDCF)

- PDCF provides grants to public and private companies interested in establishing daycare centers.
- Grants are designed based on the principle of co-financing, with 70% of cost covered by PDCF and 30% of cost to be borne by the applicant.
- Grants are distributed under three categories based on the size of the room/building and the expected capacity of the childcare center.
- The grant can cover equipment & operational costs but cannot be used for construction.
- The grant covers one year of expenses per accepted candidate.
- Grants up to PKR 2.26 million are awarded.
- Private organizations and NGOs must submit a financial guarantee of PKR 1 million.
- A Monitoring & Evaluation mechanism has been established; funds are only released after completion of a third-party evaluation report.
- Evaluation continues for three years after grant issuance.

Source: PDCF Website: [https://wdd.punjab.gov.pk/punjab_day_care_fund_society](https://wdd.punjab.gov.pk/punjab_day_care_fund_society)
Priority Actions for the Private Sector

- Assess Employees’ Needs
- Understand the costs and benefits of providing childcare support to employees
- Become familiar with local regulations
- Consider all options available for childcare support, from low, to medium, to high resource intensity
- Implement childcare options
- Monitor the results

Childcare Solutions per Resource Intensity

**Low Intensity**
- Reserve a number of spaces in selected childcare centers
- Refer employees to outside childcare providers
- Establish flexible work options
- Provide parenting skills training to employees
- Create parents’ peer groups
- Create return-to-work benefits

**Medium Intensity**
- Develop more comprehensive family-friendly policies
- Establish or support community-based childcare centers
- Provide paternity leave

**High Intensity**
- Partner with service providers to make use of existing centers
- Expand childcare benefits to employees beyond what is specified in the law
- Establish on-site or near-site childcare centers

**Employers Should Start Where they Are**
All employers – small, medium or large – can make their workplaces more family-friendly by working to improve their existing practices
Priority Actions for the Public Sector

- **Prioritize and promote enforcement of existing laws**
  - Raise awareness and capacity of key government departments
  - Clarify portions of existing legislation open to multiple interpretations
  - Collaborate more closely with women bodies
  - Build monitoring of family-friendly regulations into existing processes
  - Consider raising budget allocations for this area

- **Ensure provision of basic facilities for women in the workplace**
  - Make job protections and basic facilities for women mandatory
  - Support government departments responsible for compliance

- **Consider introduction of new legislation and support mechanisms for family-friendly policies**
  - Consider providing incentives, such as tax benefits and/or grants
  - Consider making paid paternity leave mandatory more broadly
  - Consult with the private sector
Priority Actions for Childcare Providers

• Help raise employers’ awareness about the benefits of childcare
  • Help educate employers about employer-supported childcare

• Consider building childcare facilities in popular safe hubs

• Consider remaining flexible to meet needs from employers and employees
  • Changes to hours of operations, specific quality requirements, offering transportation services, etc.

• Analyze the market and establish a sustainable business model
Priority Actions for All, including Development Partners and Other Stakeholders

- **Work together to improve the quality of childcare services**
  - Minimum standards of quality and operations for childcare centers
  - Implementation of health, safety and hygiene requirements (local and international standards)
  - Training for childcare administrators and staff
  - Afterschool programs for older children
  - Replicable low-cost childcare models

- **Establish an online hub on family-friendly workplaces**
Peer-Learning Collaboration on Family-Friendly Workplaces

13 companies | 29 commitments | 16 months

Childcare Provider partners

Strategic partners

National Commission on the Status of Women
UN Women
UNICEF
World Bank
Learning & Exchange

Webinars | Resource guides | Monthly bulletins | Monthly calls

Commitment types

- Assess demand for childcare and other family-friendly policies
- Implement childcare solutions and support for school-aged children
- Document the business case and advocate for childcare and other family-friendly policies
- Run work-life integration workshops and parent support programs
- Offer flexible work arrangements and other family-friendly policies
Results

93% (27 out of 29) Commitments achieved or in progress

65% (19 out of 29) Commitments achieved

28% (8 out of 29) Commitments in progress

7% (2 out of 29) Commitments not started

Sample actions

- Assessment of childcare needs
- Opening of on-site childcare center
- Offering of childcare allowance
- Improvements to childcare infrastructure and policy
- Launch of paternity leave policy
- Offering of flexible work arrangements
- Corporate advocacy and public sharing of experience
- Offering of life skills and other trainings
- Creation of women resource group
- Formalization of company benefits
In companies’ own words

A family-friendly workplace and a childcare center is a win-win situation for both employee and employer.

Employees were more productive, stress-free and less distracted.

The employees are very happy and motivated. The no. of paternity leaves in the co. depicts how much this initiative is valued.

It certainly has a positive impact on employees’ motivation, engagement, and retention, further improving our workplace culture.

The daycare reimbursement benefit has helped us in attracting and creating a female pipeline.

Family-friendly policies are now a critical pre-requisite for a workplace that wants to bring out the best in its people.

We were able to attract and retain top talent from the industry.

Improved employee engagement. Reduced stress levels. Higher productivity.

Companies should focus on the well-being of employees to ensure higher productivity, employee satisfaction, retention, and engagement.

There has been significant impact on employee satisfaction and overall productivity.

There has been significant impact on employee satisfaction and overall productivity.
Family-friendly policies and employer-supported childcare is not something you do when your business is doing well. It is something you do so your business can do well.

IFC Client CEO

Thank you

www.ifc.org/tacklingchildcare
Annex:
Examples of Childcare Solutions in Pakistan
(for illustrative purposes only)
High-end Private Childcare Facility: NigranCare, Islamabad

Established in 2014, NigranCare is a private childcare and development facility registered under Section 42 of the Companies Act. It is led by a female professional graduate of the London School of Economics in Social Policy and Planning. In November 2019, it enrolled 38 children (infants, toddlers and young children aged between 3 months to 12 years). Salient features include:

• It centers on a Community Building Approach of bringing together working families, care providers, child development specialists and early childhood educationists to facilitate an enabling and fulfilling start in life for the children under its care.
• Aligned with like-minded families, the Early Years Foundation Stage statutory framework is used to guide age-appropriate literacy, learning and development, and to enable the child in a holistic manner.
• The facility has at least three distinct learning corners equipped with creative, exploratory and learning equipment and materials, along with an outdoor and indoor space to play.
• It is an inclusive and safe space, where children with disabilities are accepted – as well as care givers from vulnerable/disenfranchised backgrounds are enabled.
• Psychologists are periodically invited to talk with parents about children’s needs and development.
• CCTV cameras are installed throughout the facility, to which parents get real-time access.
• Caregivers are provided with regular on-site training in areas such as teaching pedagogies, identifying signs of domestic child abuse, CPR, first aid and medical administration.
• The center is open 9 hours per day from Monday to Friday, and it also offers on-demand support late evenings and weekends.
• Fees are approximately PKR 15,000-20,000 per month; charges of an additional PKR 350 per hour apply for pick-ups after closing time.
Employer-supported Childcare Facility: Pakistan State Oil Childcare, Karachi

Pakistan State Oil was one of the first public sector companies to establish a childcare center in 2008 for its employees (PSO, 2008). The center’s administration is currently outsourced to a professional daycare management company, Catco Kids, which also provided technical assistance in the design of the facility. The center is staffed by a female professional trained and experienced in Early Childhood Development/Montessori. The administrator additionally is certified in Basic Life Saving, (BLS), Basic First Aid and CPR. In November 2019, the center enrolled 30 children (infants, toddlers, and pre-school children). Salient features are as the following:

• Follows Early Years Foundation Stage (EYFS) statutory framework to guide learning, development and care needs of children.
• Minimum of three learning corners equipped with learning materials, along with an indoor area to play.
• A dedicated health staff is employed for medical administration, particularly first aid.
• Caregivers with formal caregiving experience are employed and provided with on-site trainings in teaching pedagogies, identifying signs of domestic child abuse, CPR, first aid and medical administration.
• Hours of operations are 10-12 hours per day Monday to Friday.
• Monthly fee charges are paid by the company for its employees. However, additional fee is charged for bringing a child early or arriving late to pick up.
Employer-supported Childcare Facility: Engro Daycare

Started in 2013 by Engro Corp., Engro Daycare Facility, situated in Karachi, is led by a female professional trained in Montessori with vast experience in childcare. In November 2019, the facility enrolled 19 children. Salient features include:

• Follows teaching philosophy based on the Finnish early childcare and developmental learning systems. There is a strong focus on child-led learning, early child development approaches emphasizing children’s fun, play and happiness.
• Children with disabilities are accepted.
• Minimum of three learning corners equipped with a variety of developmentally appropriate toys, books, and learning material.
• Doctors are available on call in case of a health emergency and caregivers are trained in first aid, CPR and other areas of medical administration.
• Caregivers with formal caregiving experience are employed. The current Ubuntu staff includes personnel with over 7 years of international and local experience in the industry. Professional development trainings are provided to maintain staff’s skills up to date.
• Hours of operation are 9.5 hours per day Monday to Friday.
• Fees are more than PKR 20,000 per month but are subsidized for all employees; charges an additional fee for early drop off or late pick up.