



## CHILDCARE AND EARLY CHILDHOOD EDUCATION IN LOW-INCOME COMMUNITIES: CURRENT SITUATION AND POLICY IMPLICATIONS

September 2023

### Executive Summary

Existing evidence has confirmed that strengthening access to childcare contributes to addressing key barriers to women's economic participation. For low-income groups, particularly migrant workers who migrate from rural to urban areas for economic opportunities in industrial zones, access to quality and affordable childcare is even more critical in enabling mothers to come back to work. In reality, access to quality and affordable childcare services for low-income groups is very limited. In addition, childcare workers at *childcare and early childhood education* (CECE) facilities are among those paid the lowest and with the least participation in Trade Unions.

**In this context, in addition to recognising and reducing the childcare burden on women, it is critical to continue to strengthen the evidence for redistributing childcare responsibilities more equitably, both within the household and outside it, and responding to the rights and needs of childcare workers.** This will contribute toward an inclusive care economy and catalyse women's economic empowerment.

This research is conducted by CARE in Vietnam in 2023 to (i) explore the needs for and accessibility of CECE services among low-income groups in relation to decent work for childcare workers and parents; and (ii) provide recommendations for programming and policy interventions. This research is informed by the following data:

- In-depth interviews with 364 parents and 120 teachers/childcare workers at public and private CECE facilities in Hung Yen and Binh Duong in June 2023
- Assessment of needs of migrants from 4 rural provinces of Lai Chau, Ha Giang, Quang Tri and Soc Trang during January-August 2023.
- Assessment of COVID-19 impacts on factory workers at industrial zones in Hung Yen, Hai Phong, Hai Duong, Nghe An, Ho Chi Minh City, Dong Nai, and Binh Duong from October 2020 to December 2022.

### Key findings on CECE needs of low-income groups in industrial zones

- Childcare quality is the top priority of low-income parents when seeking the services of CECE facilities, while affordability is the critical factor for migrant parents in deciding whether to bring their children with them or leave them with their families back home. 70% of migrant parents reported affordability as one of their top concerns, while only 61% of local parents reported so. This means 7 out of every 10 migrant parents are concerned about their ability to pay for CECE services.
- 75.5% of low-income parents expressed their expectation for flexibility in tuition payment, both in terms of payment schedule and late payment.
- CECE financial support from employers for low-income parents is minimal compared to what they have to pay, at approximately VND15,000-85,000/child/month.
- Other top priorities for migrant parents working at factories in industrial zones are after-hours services and flexibility in childcare hours, and enrollment for children under 18 months old.

### Key findings on accessibility and quality of existing CECE services for low-income groups in industrial zones

- The availability of a wide range of CECE facilities in industrial zones, including both formal and informal facilities, plays a key role in access to childcare services for low-income groups in these areas.
- Formal CECE facilities include public and private preschools and kindergartens as well as employer-supported on-site facilities exclusive to the children of their employees.
- Informal CECE facilities include three main categories, i.e. family-based groups, volunteer-support groups, and religious support groups (by churches or pagodas)
- Overall, existing CECE services are meeting the needs of parents in terms of qualifications, competencies, and attitudes of teachers/childcare workers (satisfaction level 4.3/5) and service quality and infrastructure (satisfaction level 4/5); but have yet to meet their needs of in terms of affordability, flexibility in terms of service hours and after hours, and enrollment for children under 18 months old.
- While 83% of public CECE facilities self-reported simple enrollment procedures, 67% of migrant parents reported facing challenges in administrative paperwork for enrollment in public CECE facilities, compared to 11% of local parents.
- Access to professional support for children with special needs such as autism or ADHD is very limited.
- 3 out of every 10 low-income parents reported facing difficulties in paying for childcare services. Expenditure for childcare services is taking up 15%-50% of the monthly income of an average factory worker. Many migrant parents have to resort to informal CECE arrangements such as family-based groups where grandmothers or mothers might take turns to attend to a small group of children in the same neighbourhood.
- While informal CECE facilities meet the immediate needs of low-income parents in terms of flexibility and affordability, they present safety and security risks as they do not meet the standard requirements for formal CECE facilities.
- Affordability of childcare services and decent work situation of parents are key factors influencing their decision in seeking the services of CECE facilities.

### Key findings on decent work for childcare workers at CECE facilities in industrial zones

- 1 out of every 2 teachers/childcare workers at CECE facilities in industrial zones as part of the research is a migrant worker from other provinces, who stays in rental housing or with a relative.
- 3 out of every 10 teachers/childcare workers (34%) reported that their families are having outstanding loans for various purposes.
- 3 out of every 10 teachers/childcare workers reported that their current incomes do not cover the basic needs of themselves and their children.

- 8 out of every 10 teachers/childcare workers reported not feeling secured about their monthly incomes and savings in relation to their expenditures. Uncertainty about their personal capital, such as financial capital, social capital, and access to social safety nets at work, makes teachers/childcare workers vulnerable to potential shocks and stresses.
- Workplace policies at CECE facilities in question have yet to ensure decent work for their teachers/childcare workers. 65% of teachers/childcare workers at public CECE facilities reported that they are not paid a living wage, compared to 12% at private CECE facilities. 61% of workers at public CECE facilities reported that their workplaces do not enable them to balance between work and their own childcare responsibilities; 57% reported that their workplaces do not organize activities or initiatives to support their well-being; and 55.5% reported not having access to equal promotion opportunities at work.
- There is a correlation between decent work for childcare workers and quality of childcare services. Indeed, the research demonstrated that when childcare workers' satisfaction with their workplace decent work policies increases by 1 point, parents' satisfaction with childcare services increases by 2 points.

## RECOMMENDATIONS

- 1. Facilitate public-private partnerships to enhance accessibility and quality of existing CECE facilities and arrangements for low-income groups**
  - All existing forms of CECE facilities in industrial zones are found to have different pros and cons with regard to ensuring the availability, affordability, and flexibility of childcare services for low-income parents. Therefore, it is important to leverage and build on the strengths of each form as we progress toward a diverse and comprehensive CECE ecosystem.
  - While public CECE facilities are more affordable, they are not meeting the increasing demands from parents. Informal CECE facilities are meeting the immediate needs of parents yet raising safety and quality concerns. Thus, future interventions should explore the opportunity to strengthen the role of public CECE facilities in providing management oversight and professional training for childcare workers in informal CECE facilities to bring them closer to the standard quality requirements of formal facilities.
  - In addition, future interventions should explore the approach of *universal child benefits*. It refers to unconditional cash transfers on a regular basis to low-income parents with children under 6 years old. This approach might be adapted to enable the government and employers to share the financial responsibility for childcare with low-income workers.
- 2. Leverage the social franchising model in formalising informal CECE facilities, thus enhancing access to quality and affordable childcare for low-income parents**
  - The research has demonstrated the prevalence of informal CECE facilities. These informal arrangements are addressing the day-to-day immediate needs of low-income migrant parents. Thus, their existence should neither be ignored nor rejected. Alternative, future interventions should look into supporting the formalisation of these informal facilities through linkages with public facilities to leverage.
  - *The Childcare social franchising model* has been innovatively applied by Kidogo social enterprise in East Africa in providing quality childcare and early childhood services in low-income communities for an affordable fee. The model involves identifying, training, and supporting female entrepreneurs (Mamapreneurs) to start or grow childcare micro-businesses in a self-sustaining manner. In Vietnam, this model might be adapted to formalise existing informal CECE facilities in a way that ensures greater childcare quality while creating income opportunities for local entrepreneurs.
- 3. Complement efforts to strengthen CECE services with efforts to enhance decent work for childcare workers and low-income parents**

- The research has confirmed a correlation between decent work for childcare workers and the quality of childcare services. Thus, future interventions should look into tailoring decent work interventions that address specific constraints for childcare workers. For example, the research has indicated that teachers/childcare workers at both public and private facilities reported that their wages do not fully meet their needs. In addition, housing support has been reported as one of the major needs of teachers/childcare workers in industrial zones. Childcare workers at public CECE facilities expect greater support in balancing work and their own childcare responsibilities and leisure activities to maintain their well-being.
- In addition, the research indicated that decent work of parents, especially with regard to living wage and job security, is a determining factor influencing their decision in seeking childcare services for their children. Thus, interventions to enhance decent work for low-income parents, especially migrant parents, should be considered a priority in parallel with interventions to strengthen the quality and availability of CECE facilities to ensure a comprehensive and sustainable solution to childcare and women's economic empowerment.