

SEEKING SOLUTIONS TO CHILDCARE NEEDS OF MAQUILA WORKERS IN EL SALVADOR



COALITION FOR DECENT WORK FOR WOMEN (CEDM)

MAQUILA SOLIDARITY NETWORK (MSN)

May 2018

INTRODUCTION

Over the past three years, the Coalition for Decent Work for Women (CEDM), which includes Salvadoran women's and trade union organizations, has been playing a leading role in advocating for quality, accessible and regulated childcare for woman workers in El Salvador.

As part of this work, and in collaboration with the Americas Group, between March and May 2017, CEDM carried out needs assessment research to document how workers in the garment sector are resolving their childcare needs, what they are paying for childcare, and how they assess the advantages and disadvantages of different childcare options. In total, just under 600 workers were consulted as part of the study. Initial research findings were presented to CEDM member organizations, the Americas Group and representatives from 10 supplier factories in late August 2017.

This document provides a brief summary of the research undertaken and key findings; it is based on the August presentation and discussion that followed, as well as an analysis by MSN of the original research data and follow-up interviews with the CEDM research team.

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CEDM and MSN would like to thank all the workers and management personnel who were interviewed for this study and in particular the six factories that agreed to participate in on-site interviews.

We would also like to thank the Americas Group (AG), a multi-stakeholder forum that includes international apparel brands and manufacturers, the Fair Labor Association (FLA) and labour organizations. Brands involved in this initiative were adidas, Dallas Cowboys Merchandising, Hanesbrands, Mountain Equipment Co-op, New Balance, Nike, Under Armour, and VF Corporation. The AG Central America Committee actively participated in the development of the research methodology and the review of research tools. Brands in the committee and the FLA also facilitated communication with the factories that participated in the interviews. The AG facilitated a report-back session of initial results in late August 2017 in which ten factories participated.

Credits

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Promoting Sustainable Childcare Options

This report is part of a two-year initiative promoting multi-stakeholder dialogue to seek sustainable and quality childcare solutions for workers in the garment sector in El Salvador and Honduras. In addition to MSN and CEDM, project partners include the Americas Group, the Honduras Independent Monitoring Team (EMIH), and the Honduran Maquila Union Network (RSM-H).

This work has received generous financial support from the The Walt Disney Company's Supply Chain Investment Program.



Coalition for Decent Work for Women (CEDM) includes women's and trade union organizations working together to achieve decent working conditions and wages for women workers in El Salvador. CEDM member organizations are: Movement of Women – Melida Anaya Montes (Las Melidas), Organization of Salvadoran Women for Peace (ORMUSA), Women Transforming (MT), Federation of Associations and Independent Unions of El Salvador (FEASIES), and the Coordination of Women Unionists of El Salvador (CMSSES).



Maquila Solidarity Network (MSN) is a labour and women's right organization based in Toronto, Canada that supports the efforts of workers in global supply chains to win improved wages and working conditions and greater respect for their rights.

See <http://www.maquilasolidarity.org/en/our-work/right-child-care> for more information on the right to childcare.

CEDM and MSN are solely responsible for the views expressed and any errors contained in this report.

CONTEXT



Legal framework

El Salvador's 1983 Constitution establishes the right of women workers to maternity leave and to return to their jobs after completion of maternity leave and the obligation of employers to establish and maintain a nursery and childcare facility for the children of their female or male workers (Article 42). It reads: "Laws will regulate the obligation of employers to set up and maintain a nursery and childcare centre for workers' children." Unfortunately, this obligation has never been articulated in law. However, on November 14, 2017, the El Salvador Constitutional Chamber of the Supreme Court of Justice instructed the Legislative Assembly to issue a law that regulates the "installation and maintenance of nurseries and childcare facilities for the children of workers, as mandated by the Constitution..." The deadline for the adoption of this regulation was set at May 31, 2018.¹

The November 2017 ruling is at least in part a response to CEDM advocacy on this issue. On January 28, 2015, Marta Guadalupe Zaldaña Hernandez (FEASIES) and Silvia del Carmen Urquilla (ORMUSA) filed an appeal (*Demanda de Inconstitucionalidad por Omisión*) to the Salvadoran Supreme Court of Justice which requested that the Supreme Court, and specifically the Constitutional Tribunal, order the National Assembly to approve a law to regulate article 42 of the Constitution.²

The intersection of gender and workers' rights

El Salvador's maquila sector (assembly for export industry) employs approximately 76,000 workers in just over 100 factories. In an industry in which the majority of workers are young women of child-bearing age and a country where women bear the primary caregiving role, access to affordable, quality childcare and respect for the rights of pregnant workers during maternity leave and on their return to work are fundamental.

El Salvador Ministry of Labour and Social Welfare data reveals that the firing of women who are pregnant is the eleventh most common labour law violation. There were 378 Ministry inspections performed at the request of pregnant women in 2014-2016, 56% of which were for discrimination in hiring or dismissal. In total, 306 pregnant women were unjustly fired, and 75% of those were not reinstated.³

Many women workers do not return to their job after maternity leave because they are not able to arrange for adequate childcare. Those who do return often find themselves under conflicting pressures. While their employers require them to be productive on the job, they must also be attentive to and responsible for how their children are being cared for while they are at work. This includes needing to be in touch with caregivers if problems arise and being able to leave work if childcare arrangements fall through or their children become ill.

For employers, these pressures on their female employees often result in stressed and therefore less productive workers, absenteeism and high turnover rates. According to CEDM, instead of working to resolve the problem of competing pressures on working mothers, employers too often prefer to lose employees by finding pretexts for dismissals and/or pressuring workers to resign voluntarily. This has become such a chronic problem that in 2017 CEDM filed a petition for a change in the Labour Code that would guarantee returning mother's employment for one year on return from maternity leave.⁴ While this change in the Labour Code would provide women workers more secure employment, it does not address the lack of access to quality affordable childcare for women who want to return to work after maternity leave.

Lack of accessible, affordable and quality childcare

Childcare options for working parents in El Salvador are limited. Private centres are expensive and out of reach for maquila workers. Community centres funded by municipalities lack sufficient resources and infrastructure; staff have limited and oftentimes no special training. Of note, three factories and one industrial park provide access to on-site childcare centres for their workers.⁵ The majority of garment workers, however, rely on family members to resolve their childcare needs. CEDM's needs assessment, for example, found that only three out of 472 workers reported using centres.⁶

CHILDCARE NEEDS ASSESSMENT



Scope

The original plan for the childcare needs assessment was for CEDM to interview 100 workers in 15 factories producing for apparel brands in the Americas Group, and that the brands would facilitate access to those factories to do interviews with workers and senior management personnel in each factory. However, only six of the fifteen factories originally approached were willing to participate in the needs assessment.⁷ In total, 584 workers were interviewed on-site.

Methodology

Factory-based interviews were carried out using a questionnaire developed by CEDM, with input from the Americas Group. An interview team of 10 (including the two coordinators), carried out the interviews in a room separated from the production area, usually the cafeteria or training centre. On average the team had no more than three minutes per worker to complete the questionnaire. To complement what was learned through the on-site interviews, CEDM organized two half-day focus group discussions which were incorporated into their regular weekend workshops with members of their union affiliates. Forty-one workers from seven factories participated in those discussions.

Research limitations

This research effort involved a unique collaboration among different actors in the Salvadoran maquila sector, including international brands, Salvadoran factories and a national labour rights coalition. The challenges described below can, in part, be attributed to the complexities of this level of coordination.

While researchers were able to interview a significant number of workers as a result of this collaboration, the work was negatively impacted by the length of time required to solidify factory participation, the lack of time taken to orient factory management and workers, and time limitations set on worker interviews.

The length of time needed for brands to secure factory participation resulted in rescheduling issues for the interview team and a rushed process overall. The original plan was to carry out workplace interviews in 15 factories over 6 weeks, from February 1 through March 15. Instead, the on-site interviews at the six factories took place over 13 weeks, from March 6 to May 31.

In only one of the six factories was the selection of workers to be interviewed limited to workers with children. As a result, of the 584 workers interviewed, 472 had children, which meant that over 100 interviews were not relevant for the purpose of the childcare assessment. As well, the majority of workers were not adequately informed about the nature of the interviews, which meant that time was lost in explaining that the interview was not part of an audit or to reprimand workers.

As noted above the average time per individual interview was three minutes. One result was a large number of “non-responses” to questions in the questionnaire, as there was no time for interviewers to clarify questions. For example, 17.76% of interviewees did not provide a response to the question on preferred form of childcare, likely due to time constraints and the fact that this question came near the end of the interview.

Finally, the multiple choice questionnaire had limitations and would have benefited from a test run in order to improve the clarity of the questions, especially given the time restraints noted above. For example, there may have been some confusion related to questions about how many people form part of the household, how many of those people work, and the lack of a clear upper limit on what age groups qualified as children for purposes of the study.

Despite the limitations and obstacles, the interviews with workers revealed valuable information on workers' current childcare needs, how workers are attempting to meet those needs, the cost of those services, how workers view other childcare options, and management's perception of the problems workers face related to the lack of childcare options and the possible benefits of workers having access to childcare services. Results from this study mirror similar studies in other countries.

Profile of interviewees

As noted above, in total 584 workers at six factories were interviewed on-site. Of those selected by factory management to be interviewed, 77.57% were women and 80.82% had children. Of those interviewees with children, 34.41% were single parents.

The average number of years employed in the maquila industry was just under eight, with the average number at one factory being twelve. That said, a notable number of workers had worked 10 years or more in the maquila industry, with one worker reporting 30 years of employment. While not relevant for this research, this data does challenge the common view that workers in the maquila industry do not have much experience in the paid labour force.

INTERVIEWEES



Workers interviewed:
584
(77.57% female)

Single parents:
34.41%

Workers with children:
472
(80.82%)

Average time employed
in the maquila industry:
8 years

Average transport time
to the factory:
44 minutes

Results from on-site interviews

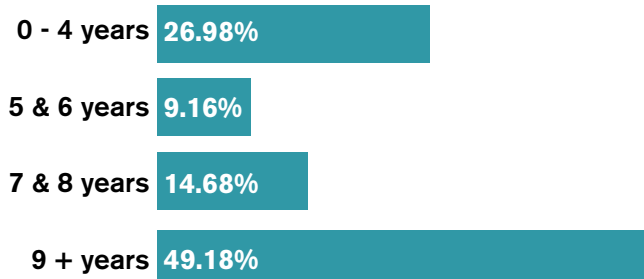
Workers provided information on the number of children they have and the age range, how they currently resolve their childcare needs and what they pay on a monthly basis. All workers, whether or not they were currently parents, were asked what their childcare preferences would be, if other options were available at a reasonable cost.

Age range of the children

A significant number (49.18%) of the workers interviewed had children nine years of age or older, which is not surprising given the number of workers with 10 or more years employed in the maquila industry. That said, a total of 36.14% had children between 0-6 years of age, which would make them eligible for childcare in most countries, and 14.68% had children 7-8 years of age.



AGE OF CHILDREN

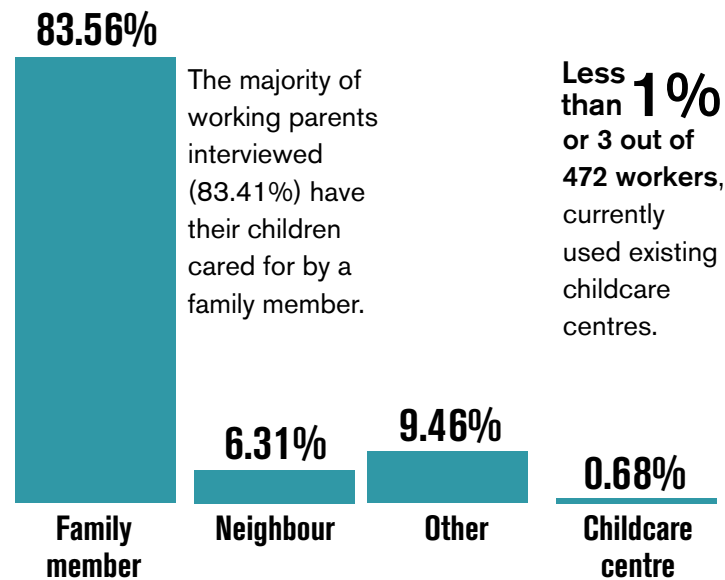


94% of workers with children had **more than one child**, and a significant number of those had two or more children in different age ranges being cared for by others while they worked.

Current Childcare Arrangements

Workers were asked where their children were cared for--by a family member or neighbour, in a childcare centre or "other."

The "other" category came in second – at 9.46%. Unfortunately, the limited time and structure of the interview didn't allow for workers to elaborate on what was meant by "other." In the few cases where workers provided more detail, they reported that their child or children stayed at home on their own or, in some cases, were working. For the most part, the interviewees that reported "other" had children in the 9+ age range.

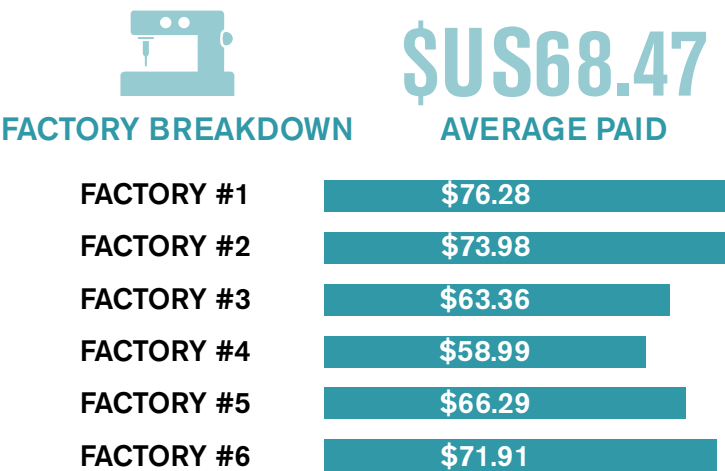


What workers pay for childcare

Significantly, the majority of interviewees with children (71.06%) pay for childcare, irrespective of whether their children are being cared for by a relative.

The average monthly amount paid across the six factories was \$68.47. That amount represents 22.88% of the current monthly minimum wage for maquila workers of US\$295.30. It falls well short of a 2017 living wage estimate of US\$719.51, including childcare costs and discretionary income.⁸

At each factory there was a wide discrepancy in the amount paid monthly for childcare. Even when we controlled for the number of children of each working parent, it wasn't possible to explain the variation. Quite likely these had to do with the fact that family arrangements are in large part "informal."



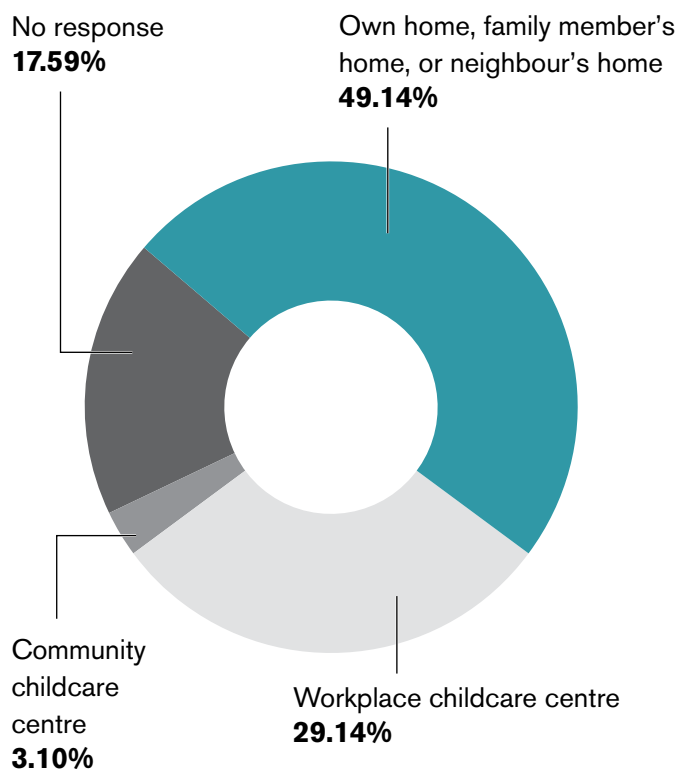
What Childcare Options Would Workers Prefer?

All 584 workers were asked what form of childcare they would prefer, if it could be provided at a reasonable cost. Nearly half (49.14%) would prefer to continue using their current option of their own home, a family member's home or a neighbour's home.

Significantly, despite the lack of knowledge and experience of most of the interviewees with workplace or community child development centres, over 29% said they would prefer using a workplace childcare centre and close to 3% would prefer using a community childcare centre, for a total of 32.07%.

Unfortunately, a significant number of those interviewed weren't able to respond to the question, likely due to the time limitations discussed above. However, the majority of workers would likely have little information on what services and benefits of child development centres might provide and little direct or indirect experience with existing centres. It would therefore be a difficult question to answer even with more time, without being provided additional information.

CHILDCARE PREFERENCES



Interviews with Senior Management

At each of the factories, CEDM carried out brief interviews with representatives from factory management, usually the Director of Human Resources.

Of note:

- No management representative was aware of the Constitutional provision (Article 42),⁹ which establishes the principle that employers have a responsibility to provide and maintain childcare facilities for the children of their workers.
- The majority of management representatives interviewed viewed childcare as a potential charitable contribution rather than a question of legal compliance.
- All recognized that women confront multiple pressures related to childcare and this has a significant impact on the work environment and on production.
- All recognized that the lack of programs available to help address the need for childcare services contributes to high turnover rates and the lack of employment security for women workers.

Focus Groups:

Although the sample size was smaller, CEDM felt that the information received from the two focus groups provided an important complement to results from the structured on-site questionnaire process. Notably, focus groups were comprised of union members that were more knowledgeable of childcare options and their rights because they had previously participated in educational workshops on this issue.

For the most part, workers in the focus groups viewed family-based childcare (usually provided by the grandmother) as preferable over childcare centres – whether in the community or at the workplace – for reasons of trust and affordability, and also because they are perceived as being better able to meet a range of care needs. There were four main perceived benefits of having children taken care of by a family member: children are fed, they get sick less, they receive better care in a home environment, and caretakers are more patient with the children because they are family members. Other benefits include the support that family members provide in transporting children to and from school, accompanying them to the doctor or medical clinic, preparing their food, etc.

When asked about what services their children currently received, the answers varied, likely based on who provides the care. Some reported that their children receive roughly equivalent care as what a parent would provide – bathe them, wash their clothes, provide meals, bring them to and from school. Others indicated they received very basic care – just cleaning and feeding, ensure they don't hurt themselves and don't go out into the street. No one mentioned child development beyond this basic level of care.

In terms of what workers are paying for childcare services alone, workers in the focus groups reported paying approximately \$65/month, which coincides with what was reported in the on-site interviews.

Advantages and disadvantages of factory-based childcare centres

Perceived benefits of a workplace childcare centre included greater job security and ability to concentrate “because I won't have to worry or take time off”, being able to visit their children during breaks, and feeling more at ease knowing that care would be available for their full work shift.

Some workers identified advantages of workplace childcare for women in general, including that more women would be able to work and that it would be helpful for women who wanted to work but had no one to take care of their children.

Workers also identified some advantages for employers, such as improved labour stability, fewer childcare related leave requests, lower staff turnover, and improved production “because children would be close to their parents”.

Perceived disadvantages included the difficulty of travelling long distances with children whom, workers felt, are not well treated on the buses, the perception that children under five need a different level of care than a factory-based centre can provide, and the age limits in workplace childcare centre that exclude older children that still require care. Another concern was that the hours of operation of childcare centres would not coincide with work shifts.

CONCLUSIONS



Much of what was learned from worker interviews and focus groups mirrors research findings in other countries:¹⁰

- Workers are spending a significant amount of their salary for childcare – most often paid to family members.
- The lack of adequate and safe transportation and whether centres would stay open when workers work overtime were two key concerns for workers in considering on-site childcare centres.
- Some workers confirmed that if they had childcare centres in the workplace, they would feel more at ease because they could see their children during breaks and know they would be cared for during their complete work shift.
- Children beyond the age of seven often still require care while their parents are at work, and workers are paying for this care. Workers are concerned that if these children are left without supervision after school hours, they could be recruited by gangs.
- There are few examples of workplace or community childcare centres available for working parents in the maquila sector in El Salvador.
- Workers and employers have little, if any, information or awareness about the services and advantages of child development centres or different childcare options, beyond care provided by family members.
- Despite a lack of knowledge and experience with workplace or community childcare centres, a significant percentage of workers interviewed recognized the advantages of workplace childcare, and a smaller number recognized advantages of community childcare centres.

RECOMMENDATIONS TO MANUFACTURERS AND BRANDS



- Brands, suppliers, childcare regulatory institutions, unions and women's organizations should learn more about the benefits of child development centres, based on experiences in other countries and regions.
- Building on previous dialogue between CEDM and the Americas Group, a next phase should include management representatives of supplier factories and focus on identifying childcare solutions to meet the needs of working parents in the maquila sector. This dialogue process should seek agreement on appropriate childcare regulations and the responsibilities of each stakeholder (state, private sector, and workers), including the co-responsibility for funding childcare services, in order to ensure that working parents in the sector have access to quality and affordable childcare.
- Supplier factories of international brands should be encouraged to establish and maintain quality childcare centres for their employees at little cost to the employee. Such centres could be established either at the workplace or free trade zone level. In cases where a workplace childcare centre is not workers' preferred option, suppliers should be encouraged to provide subsidies to help cover childcare costs at either community centres or informal arrangements.
- Where workplace childcare centres are established, employers should provide adequate and safe transport at a minimal cost to workers and harmonize the hours of operation between factories and centres.
- Brands should play a positive role in encouraging and assisting their suppliers to provide or support childcare options for their employees. This should include reviewing their contracts to ensure that the prices they pay to their suppliers take into account the cost of childcare. Brands should also review their codes of conduct and compliance benchmarks to ensure that these adequately address the rights of pregnant workers, the right to maternity leave, the right of mothers to return to their former position post-maternity leave, and the right to childcare.

ENDNOTES

- ¹ *Sala ordena regular la instalación de salas cunas para hijos de trabajadores*, Comunicado de prensa de la Sala de lo Constitucional, 14 de noviembre 2017.
- ² The full text of the January appeal (Inconstitucionalidad Referencia: 8-2015) is included in *Informe seguimiento a derecho constitucional: Ruta a seguir en procedimiento constitucional de inconstitucionalidad sobre salas cunas*, CEDM, 2017.
- ³ “Protección de la Maternidad,” ORMUSA/CEDM PowerPoint presentation to August 29, 2017 dialogue session.
- ⁴ This legislative proposal is still pending with the National Assembly. Of note, on November 17, three days after the ruling on childcare regulation, the Constitutional Chamber also clarified that Article 311 of the Labour Code obligates employers to provide paid maternity leave to all eligible employees regardless of how many months they have worked for the employer (sin sujeción a plazos de prestación de servicios al patronal). <https://elcontadorsv.com/eliminan-obstaculos-obtener-licencia-remunerada-maternidad>
- ⁵ Except for one childcare centre servicing the Mercedes Industrial Park in Nicaragua, these four centres are the only on-site childcare centres in Central America (as far as we have been able to determine).
- ⁶ CEDM's needs assessment did not include factories that offer on-site childcare.
- ⁷ This report does not name the participating factories. Each factory has received preliminary results from worker interviews at their facility. All participating factories were invited to a CEDM-Americas Group presentation of the results and preliminary conclusions on August 30, 2017 and received copy of this report prior to its publication.
- ⁸ This estimate is based on research done by the Labour Research Team (EIL) in December 2017.
- ⁹ It should be noted, however, that awareness of this constitutional provision is very low in society as a whole.
- ¹⁰ Tackling Childcare, The Business Case for Employer-Supported Childcare, IFC, 2017; Needs Assessment for Childcare Facilities in Bangalore's Garment Industry, Cividep India, 2016; The Apparel and Footwear Sector and Children in Vietnam, UNICEF, 2016; Gender Equality at the Workplace, Baseline Findings from Better Work Vietnam, 2016; Prioritizing Early Childhood Care and Education (Chennai India), Timberland website (no date); Current Practices in Food and Childcare-Service Provision in Bangladesh's Ready-Made Garment Factories, BSR & Gain, October 2015.

PHOTO CREDITS

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