

# CHILDCARE FOR WORKING PARENTS IN CENTRAL AMERICA'S MAQUILA SECTOR: Options for Workers and the Business Case for Employers



On May 23, 2018, the Americas Group, the Salvadoran Coalition for Decent work for Women (CEDM) and the Maquila Solidarity Network (MSN) jointly sponsored a one-day bi-national forum in San Salvador on the childcare needs and solutions for maquila workers. The forum brought together more than 90 participants, including representatives from 38 supplier factories in Honduras and El Salvador; 27 unions, women's and other non-governmental organizations; 13 international brands and manufacturers; and two industry associations, Asociación Hondureña de Maquiladores (AHM) and Cámara de la Industria Textil, Confección y Zonas Francas de El Salvador (CAMTEX).

Speakers at the forum reported on advantages and disadvantages of existing workplace, community and home-based childcare centres in the region and internationally, including the findings of a ground-breaking September 2017 International Finance Corporation (IFC) study on the business case for workplace childcare presented by Ariane Hegewisch of the Institute for Women's Policy Research, one of the study's lead authors.

The forum included two country panels in which panelists from labour and women's organizations and the private sector shared experiences with different childcare options in El Salvador and Honduras.

**The Americas Group (AG)** is a multi-stakeholder forum that includes the Fair Labor Association, the Global Union IndustriALL, the Maquila Solidarity Network (MSN), and brands and manufacturers, working collaboratively to promote sustainable practices in the apparel and footwear sector in the region.

**CEDM** is a Salvadoran coalition of women's and trade union organizations, including: *Movimiento de Mujeres Mérida Anaya Montes – Las Méridas*; *Organización de Mujeres Salvadoreñas por la Paz – ORMUSA*; *Federación de Asociaciones y Sindicatos Independientes de El Salvador – FEASIES*; *Mujeres Transformando*; *Coordinación de Mujeres Sindicalistas de El Salvador – CMSES*.

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

“This forum is an important opportunity to begin to talk about co-responsibility between companies, government, and allies like the Americas Group and MSN to meet the childcare needs of working parents in the maquila sector.”

– Roberto Zaldaña, CEDM, at forum opening



The El Salvador panel included presentations about two of five existing workplace-based childcare centres – at Textiles Opico, which has been in operation for over a decade, and a new pilot initiative at American Industrial Park (AIP) whose centre is designed to service all companies operating in the park, one of El Salvador’s largest. Carmen Urquilla of ORMUSA-CEDM described the context for women workers in El Salvador, and presented the findings of the CEDM’s 2018 childcare needs assessment with just under 600 workers in six maquila factories.

The Honduras panel included presentations on two pilot initiatives, one a joint program between the Honduran Maquila Association (AHM) and the Maquila Union Network of Honduras (RSM-H) and the other a community based project supported by Hanesbrands International. The bi-partite pilot project of the AHM and the RSM-H is a product of social dialogue and has focused on the creation of one community-based childcare centre, one in a housing project initiated by the two organizations, and the certification of home-based childcare centres in workers’ communities. The Hanesbrands pilot project is a company-foundation partnership supporting a community-based childcare centre that offers subsidized spaces to children of Hanesbrands employees from three factories in Choloma, Honduras.

Throughout the day, forum participants discussed the benefits of childcare for employers and workers, the various childcare options available, the challenges involved in providing quality and affordable childcare, and the shared responsibilities of the different stakeholders. We present here a summary of those discussions.

“In El Salvador, childcare is a constitutional right, but we also want to encourage companies to recognize that as part of their CSR programs they need to look for solutions to the childcare needs of workers. As CEDM, we also want to break away from the patriarchal stereotype that presumes that only women should be responsible for childcare.”

– Roberto Zaldaña, CEDM, at forum opening

“Parents become workers in order to take care of their children and meet their basic needs. This is important for a country’s development. When parents are at work, it is important for them to be assured that their children are being taken care of. This is important for productivity.”

– Cláudio Kehrwald, Nike, at forum opening

“In the Americas Group, we have clothing and sports brands that are obviously very competitive, but with the issue of childcare, we are willing to collaborate and work as a team. I have often heard it said that childcare is a very complex issue and difficult to implement, but we in the Americas Group are all here today to take this issue seriously. We want to make change, and we think today will be an opportunity to have everyone’s distinct perspective heard, debated and converted into action.”

– Cláudio Kehrwald, Nike, at forum opening



## Summary of key observations and issues identified by forum participants

- Childcare is essential to achieving gender equality. Investment in childcare improves women’s labour force participation. It also benefits male working parents.
- Childcare is good for business; it is an investment, not just a cost. Benefits include: increased recruitment potential and employee retention, reduced turnover, lower absenteeism, increased productivity, increased workforce diversity. Workers currently without children view it as a benefit for their future families and are more loyal to the company as a result.
- Quality childcare benefits children and society as a whole. These are the future citizens of our countries.
- Laws and regulations on childcare are important, but implementation will not happen unless there is an understanding of the benefits of childcare and a shared commitment to providing quality and affordable childcare services.
- Childcare is a co-responsibility of working parents, employers, unions and government. Brands also have a positive role to play. Constructive dialogue and collaboration among the stakeholders is essential.

“Childcare is a theme that touches and affects many aspects of the society and the economy. If we don’t find solutions, our rights and growth will be limited. Sustainable success for the brands depends on the factories and the workers. Those of us here have more things in common than differences. It was clear today that we are initiating a culture of social dialogue. We have to work collaboratively and inclusively to find solutions. I’m leaving with new energy.”

– Remedios Arguello, Adidas-Americas Group, at forum closing

“Childcare is essential to achieving gender equality, so it’s good to see folks from labour, government, brands, suppliers coming together to discuss this issue; we need everyone to work together to achieve progress on this important issue.”

– Ariane Hegewisch, Institute for Women’s Policy Research



“We need an alliance with the government and industry in order to make progress on this theme. It isn’t an easy issue to deal with, but if we achieve some areas of agreement, we will move forward. We already have the laws and three models but now need to advance on which models we are going to prioritize...”

– Evangelina Argueta, RSM-H.

- Workers need to be consulted on their needs and preferences before a childcare project is initiated. There is no one-size-fits-all solution.
- There are a number of childcare options, including: workplace nurseries and childcare centres, collaboration among employers on a shared centre, employer-supported community based centres, certified home-based centres.
- Different childcare options are preferable for different situations. Working parents with younger children may prefer a workplace nursery and/or centre where mothers can breastfeed and have access to their children at break times, while workers with children over three may prefer using a community- or home-based centre close to where they live.

“We are going very slowly, but we have accelerated the process... The most important thing is transparency in the relationship that will allow us to have confidence in the dialogue. We understand that there is a responsibility beyond paying workers a salary.”

– Mario Canahuati, AHM

“ This has been a truly unbelievable event. We hope that companies will continue to expand their childcare projects, even if the number of those using them is small at the beginning. We hope that others will promote additional projects...”

– Marta Zaldaña, FEASIES-CEDM, at forum’s closing

## Funding options

- Employers investing in and maintaining a workplace nursery and/or childcare centre and covering a portion or all of the costs.
- A group of employers contributing to a childcare centre in an industrial park or close to it and partially or wholly subsidizing the use of the centre by their employees.
- Partnering with an NGO or foundation to support a community-based centre and negotiating spaces and costs for their employees to use the centre.
- Partnering with local governments on the creation, financing and operation of a childcare centre for the children of workers and other community members.
- Providing subsidies or scholarships to workers to use certified community- or home-based centres.

## Challenges and questions

- Lack of awareness by both workers and employers of the benefits of early child development centres, and cultural biases in favour of families being responsible for providing childcare.
- The limited role that male parents play in the provision of childcare.
- Workers often do not have access to safe, affordable transportation to and from work or a community childcare centre and it is often not available during hours when workers need it.
- Childcare centres are often not open during hours when workers need them, especially when they have to work long or evening work shifts or do overtime.
- Lack of clarity regarding the selection process of children accepted into the childcare centre. For example, when companies require, as a prerequisite, that workers meet certain production quotas in order to access these services, this causes uncertainty for parents given that they do not know if they will have consistent access to childcare for their children.
- Identifying and gaining the support of external organizations or institutions that can provide advice and assistance in establishing and running childcare centres.
- Whether State institutions will assume their responsibilities for the certification, monitoring and support of quality childcare.
- Lack of mechanisms in place to ensure that childcare staff receive adequate training and compensation.
- Stakeholders have limited access or awareness of external sources of funding for childcare centres.
- What responsibilities brands have, individually and collectively, to help ensure that workers employed by their suppliers have access to affordable and quality childcare.



## Resources:

[Tackling Childcare: The Business Case for Employer-Supported Childcare](#)

[Seeking Solutions to Childcare Needs of Maquila Workers in El Salvador](#)

[Legal Analysis of the Right to Childcare for Workers in Honduras](#)

The Forum presentations are available from the organizers.

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