

TACKLING CHILDCARE: The Business Case for Employer-Supported Childcare in Papua New Guinea

When companies support their employees to balance their childcare responsibilities with their work obligations, there are many benefits.

Providing childcare support for employees will:

- create a more motivated and committed workforce,
- reduce absenteeism,
- increase productivity, and
- help attract and retain talented employees.

IFC commissioned a study on the childcare needs of employees working in the private sector to help close the knowledge gap on the business case for providing support for childcare in Papua New Guinea.

Employer support for childcare

There are many different ways a company can provide childcare support to its employees, ranging from relatively low to high cost. Some examples include paid parental leave, breastfeeding rooms, family-friendly work policies, flexible working arrangements, and subsidies for childcare fees.

Key findings

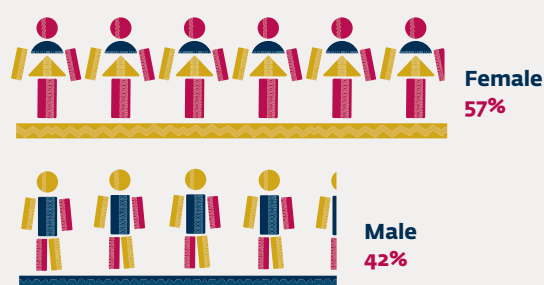
Childcare responsibilities significantly impact working parents' ability to consistently be present at work, perform well, and focus on their jobs.

- 75 percent of parents said their childcare responsibilities impact their work.
- 47 percent have missed part of their workday, and 36 percent have taken time off work.
- 33 percent felt distracted during the working day.
- 61 percent of working parents regularly arrive later or need to leave early.



29 companies in PNG collectively employing 13,077 employees participated in the study.

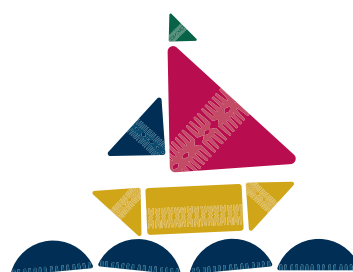
Profile of Research Participants:



70% of research participants had children <18yo.

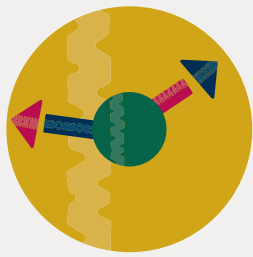
77% are based in Port Moresby.

11% of parents have children with at least one disability.



Childcare responsibilities affect both working fathers and mothers:

- 20 percent of employees with children said they and/or their partner had left a previous job due to childcare responsibilities.
- 34 percent of women reported at least one impact on their career, compared to men at 21 percent.
- 14 percent of women and 8 percent of men had turned down job offers.
- 8 percent of women and 6 percent of men have turned down a promotion.



13.7
missed workdays
per employee every year

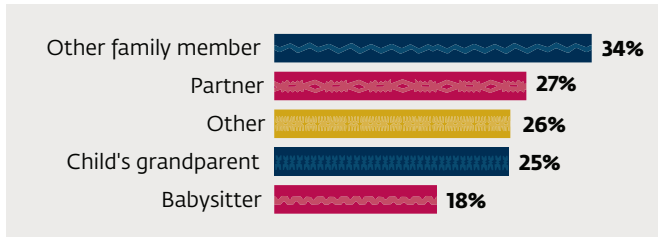


This equates to
5.2%
of wage bill lost annually

3102
kina lost on average,
per employee, per year

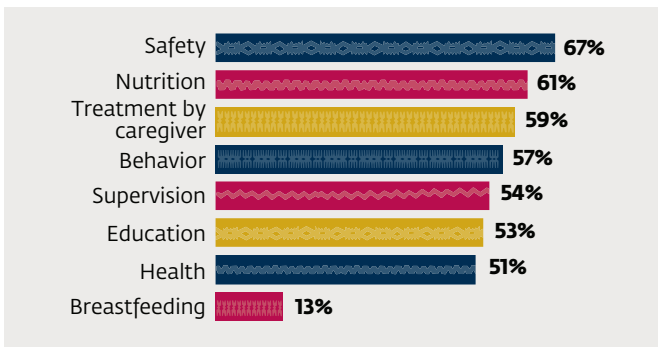
In Papua New Guinea, there continues to be pressure on women to remain the primary caregivers for their children.

Most common current childcare arrangements for parents with preschool children:



Working parents worry about the skills of carers.

Most common concerns with current childcare arrangements:



Most commonly requested childcare support from employees:

- Subsidies for childcare fees (57 percent).
- Family leave for children's health (40 percent).
- Transportation to a childcare center and/or school (38 percent).
- Flexible work options (38 percent).

The legal framework for employers and childcare in Papua New Guinea

Parental leave	Mother	Father
Public Sector	18 Weeks	Nil
Private Sector	Nil	Nil

In July 2023 the Constitutional and Law Reform Commission (CLRC) announced that it would embark on a review of maternity leave entitlements to identify discrepancies between the private and public sectors and make recommendations for changes to the law.

Key recommendations

Company considerations: before you start:

- Conduct a childcare assessment and survey employees on their needs.
- Support and recognize the role of men as caregivers.
- Ensure that gender equality is a management priority.
- Check the company training schedule considers the needs of working parents.
- Have a human resources plan to monitor and evaluate your interventions.

Family-friendly policies and benefits:

- Introduce or formalize a flexible working policy.
- Consider introducing paid parental leave.
- Provide breastfeeding support for mothers.
- Develop a return to work program for new parents.
- Run childcare information sessions for parents and carers.
- Explore options for emergency childcare support.
- Explore options for supporting the cost of childcare through employee subsidies or a partnership with a local childcare center.

Government considerations to strengthen the enabling environment:

- Update the Employment Act 1978.
- Review tax laws with the aim of extending salary sacrificing to cover fees for the care of preschool children.
- Establish a regulatory framework for childcare services for children under the age of four.

The full report can be downloaded from [ifc.org](https://www.ifc.org) or via the QR code.



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