

How 2018 transformed the child care industry ^[1]

Ministry of Labour and Employment has clarified that companies with 50 or more employees should provide creche facilities to their employees for children under 6 years of age

Author: Mittal, Kanchan

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EXCERPTS

India is a country where growth is rapid and constant. The population is huge, ever-expanding, and so is the number of working-class people. But working at an age where one also has to take care of their children can be quite a challenge. In 3 out of 4 working class nuclear families, the working mother has to leave her job in order to take care of her child, which results in an employment gap in her career often leading to scarcity of available jobs.

Maternity Benefit (Amendment) Act 2017

So what did the government of India do to aid the quality of life for the working population of India and the betterment of the working mothers? It introduced the Maternity Benefit (Amendment) Act. Passed in the year 2017, this landmark act provides working mothers with 26 weeks of paid maternity leave as well as mandating the provisions of childcare facilities at their place of work. This long-awaited act places India in the league of progressive, developed countries, and the third country in the world after Canada and Norway that provides working mothers with such benefits. Lack of basic childcare facility is one of the primary causes of women quitting their jobs to take care of their newly born or young children. This is a huge relief for working women and assures them the return to their working position after taking a break for childbirth, without any changes to the terms of their employment at their place of work.

A Right to Information query reply by the Ministry of Labour and Employment clarified that companies with 50 or more employees should provide creche facilities to their employees for children under 6 years of age, and the employer must bear the complete cost of providing such childcare support to its employees. In the case of a company where the total number of employees is less than 50 but has more than 30 female employees, creche facilities are to be extended by the employer. Furthermore, a circular was issued by the Social Security Division of the Ministry of Labour and Employment in November 2018 requesting State governments to frame and notify rules regarding facilities and amenities for the establishment of a creche.

The introduction of the maternity act in India has also opened the gates for the establishment of a new industry, corporate daycare centres. For parents, childcare is a necessity and facilities such as a corporate daycare allows them to balance out their work and family life. A daycare in the workplace allows the parent to visit their child during their breaks and lets them focus on their work by easing off the worries associated with the safety of their child.

Introduction of Daycare Centres by Multinationals

Many organizations are opting for on-site daycare centres due to the benefits to the employees and the company. It boosts the overall productivity of the employees and lets working mothers return to their work in a short time. Those organizations who can't provide on-site daycare facilities are availing the services of local daycare centres or schools by the means of a partnership or a tie-up to cater to the requirements of their employees.

From the looks of it, the daycare industry is on the rise and we are bound to see a surge in the numbers of commercial daycare centres that will be focused on working-class parents, especially those hailing from nuclear families. This would also greatly benefit the huge migrant population in India who don't have the luxury of leaving their child in the hands of a relative or their parents while they work. Corporate daycare centres will be a boon to them as they would not have to choose between their child and their work anymore, and it would vastly improve their overall quality of life in the country. The maternity act will, therefore, enable a large number of migrant workers to be a part of the country's workforce in the near future.

Drawbacks

Though the maternity act was introduced in good faith, certain drawbacks may arise as the act makes hiring women an expensive alternative to male employees. This can reduce the number of job opportunities for women as small businesses and enterprises would discourage the recruitment of female employees. According to a survey conducted by Team Lease Services, an estimated 10-12 million women workers will lose their jobs in the 18-19 fiscal year.

The tendency to hire a male employee in the workforce instead of a woman for a given role has always been on the higher side in India. The current share of women in the total workforce of India is one of the lowest workforce participation rates in the world. In 2016, the total number of working women contributed to 24per cent of the total workforce, 12per cent less than the 36per cent a decade earlier. The maternity act will only impact the women who are presently employed in the organised sector, but a staggering 90per cent of women are working in the unorganised sector.

The Positive Impact

On the other side, the positive impact of the maternity act will improve the participation of women workers and uplift the work-life balance. The act also introduced provisions for work from home after the 26 weeks of maternity leave in order to arrange flexible working conditions based on a mutual agreement. In the era of where a person should be welcomed in an organisation on the basis of their skill set and not gender, this act will lead the country towards a more gender-balanced workforce, which is key to economic growth. It will also contribute greatly to society by empowering women by supporting their career and professional developments.

To counter the ill-effects of the act, the cost can be shared by the employer and the employee who is availing the creche facilities. The act should also include fathers and break the age-old norm by enforcing the roles of the father when it comes to childcare. Childcare is not gender-biased and the extension of the law to cover male employees will solidify such a thought.

Therefore, it is safe to say that next year is going to be a year of huge growth in the childcare industry in India. The maternity bill has paved the way for the establishment of daycare centres across the country, especially in the commercial areas where large organisations and companies require on-site facilities.

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