Enacting the SDGs Agenda

The Leverage of Employer-Provided Daycare Policy on Indonesia's Women Workforce Retention

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The Challenge

Rising Participation

Women's workforce participation steadily increasing in Indonesia

Employer Absence

A lot of employers in Indonesia do not provide daycare for its employees

Double Burden

Traditional caregiving roles create work-family conflict

Research Methodology

Mixed-Methods Approach

01

Quantitative Analysis

Labor force data from Badan Pusat Statistik (2008-2024)

02

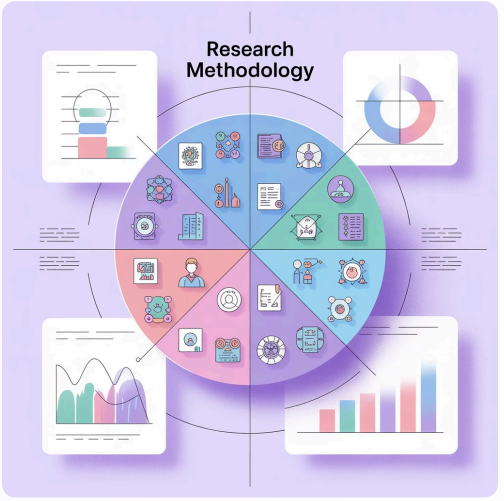
Qualitative Interviews

In-depth interviews with 5 working mothers with different background.

03

Narrative Analysis

Focus on experiences and interpretations



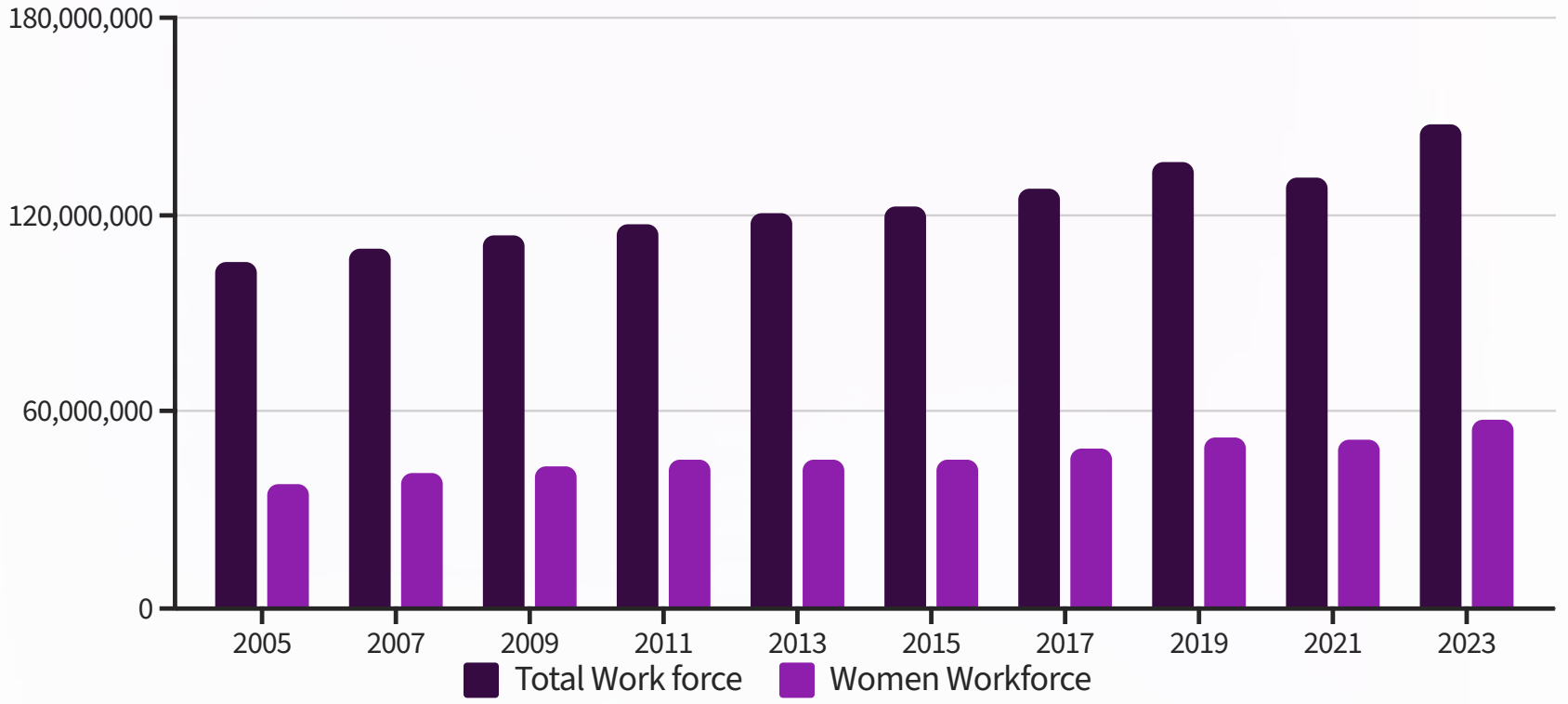
Participants: Government, private, and state-owned company employees with daycare access

Characteristics of Qualitative Informants

No	Alias	Occupations	Daycare's provider	Employer location
1	AER	Elementary School Teacher	State-owned company (father’s employer)	Karawang
2	FSP	IT Engineer	Private enterprise (mother’s employer)	Jakarta
3	MRD	Supply-chain Engineer	Private enterprise (mother’s employer)	Tangerang Selatan
4	NLA	Public Relations	Government office (mother’s employer)	Jakarta
5	IBF	University Lecturer	Government office (mother’s employer)	Jakarta

Key Findings: Women in Indonesia's Workforce

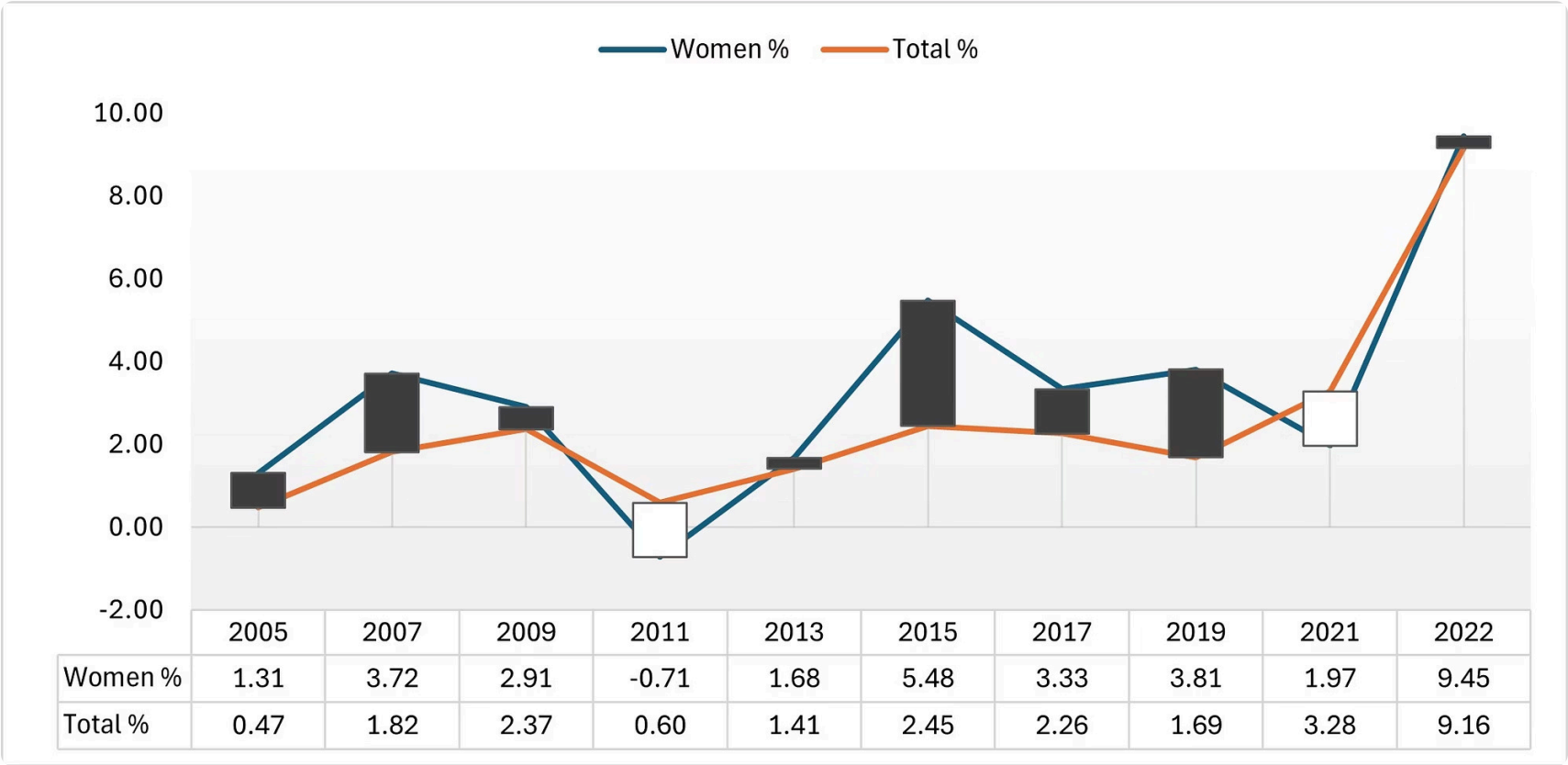
Figure 1: The Proportion of Women to Total Active Workforce (2005-2023)



Source: Analisa Mobilitas Tenaga Kerja, 2009; 2011; 2013; 2017; 2019; 2024 (author's calculation)

Steady increase of women workforce participation comparison to the total workforce from 36.6% to 39% over two decades.

Figure 2: Number of Women Workforces' Growth (2005-2022)



	2005	2007	2009	2011	2013	2015	2017	2019	2021	2022
Women %	1.31	3.72	2.91	-0.71	1.68	5.48	3.33	3.81	1.97	9.45
Total %	0.47	1.82	2.37	0.60	1.41	2.45	2.26	1.69	3.28	9.16

Source: Analisa Mobilitas Tenaga Kerja, 2009; 2011; 2013; 2017; 2019; 2024 (author's calculation)

Policy Breakthrough

2024

Indonesia's Law Number 4 on Maternal and Child Welfare mandates employer-provided daycare

Government Mandate

Legal requirement for workplace daycare

SDGs Alignment

Goals 4, 5, and 8 integration

Shared Responsibility

Employers support childcare burden

Key Findings of Employer-Provided Daycare Impact: Working Mothers

Enhanced Focus

"I can work calmly and complete tasks quickly to pick up my child on time"

Proximity Benefits

Immediate response to child's needs, especially in congested Jakarta

Peace of Mind

Professional caregivers, CCTV monitoring, real-time mobile apps, nutritious meals

Cost Savings

Free or Subsidized rates vs Rp 2-4 Million external daycare

Implementation Challenges

Quality Variations

Free daycares lack restrooms, sufficient caregivers, meals

Limited Availability

Primarily head offices only, funding concerns for branches

Quota Restrictions

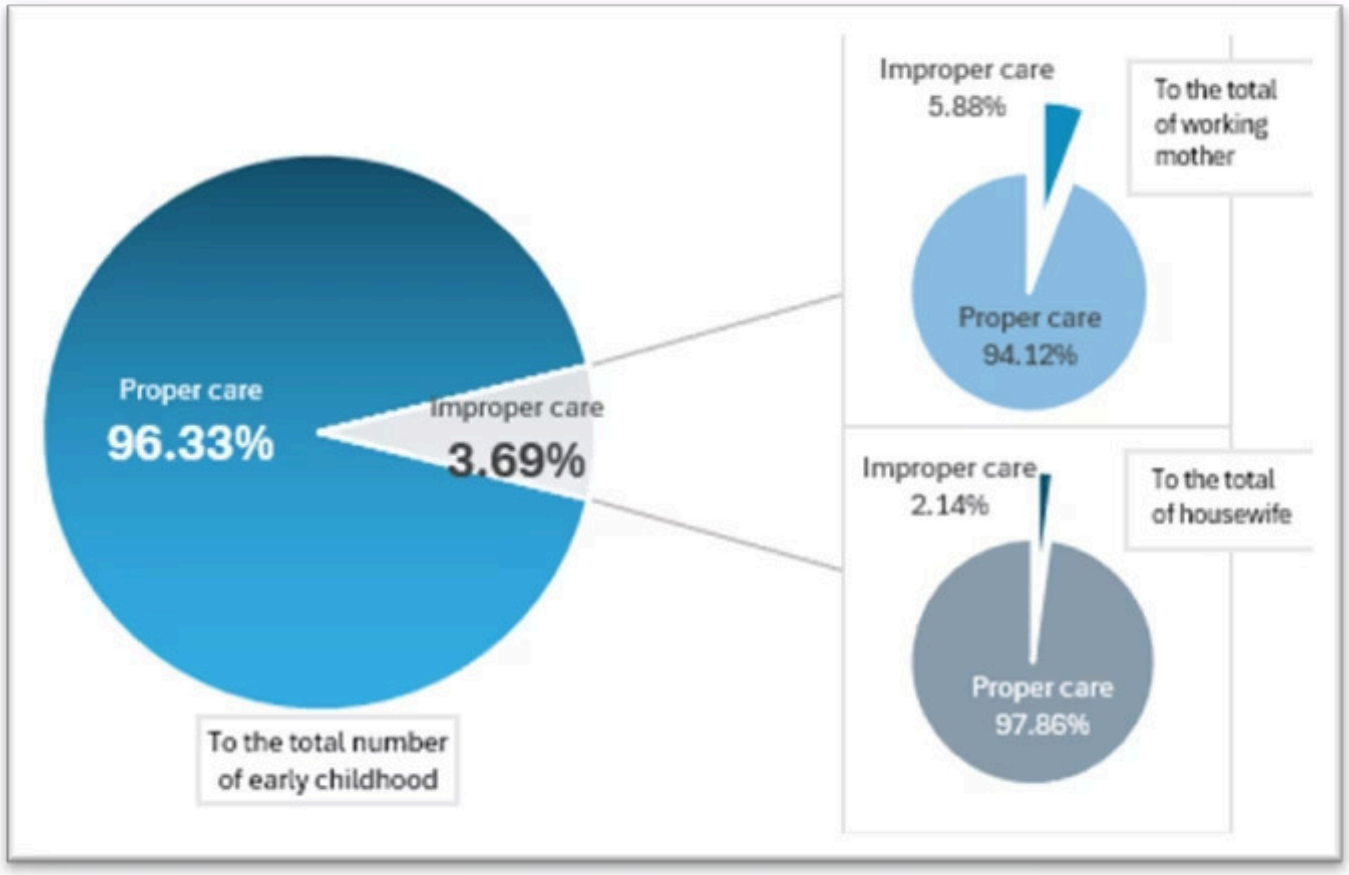
Limited spaces compared to number of working mothers

Budget Constraints

Government efficiency measures reducing services on government offices

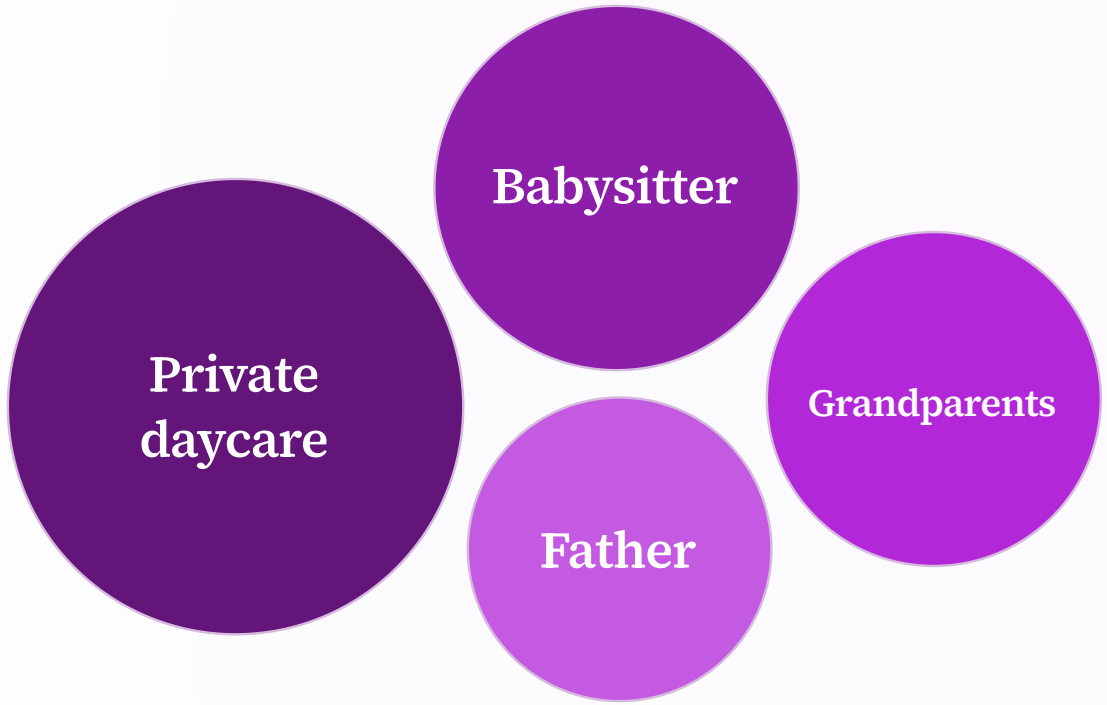
Early Childhood Improper Care

Figure 3: Type of Early Childhood Care Eligibility 2022



Source: Profil Anak Usia Dini, 2023 (author's calculation)

Risk of Alternative Caregiver



introduce various risks, including inconsistent care, the possibility of being harmed, lack of professional oversight, and potential strain on family relationships, impacting child development; maternal peace of mind, which affects the tendency to unproductive work, or worse, resign.

Key Findings: Child Development Benefits

Cognitive Growth

Sensory and motor stimulation enhances language and practical skills

Social Skills

Children learn conflict resolution and peer interaction

Structure

Regular sleep schedules and independence development

Addressing the 5.88% of working mothers' children experiencing improper care

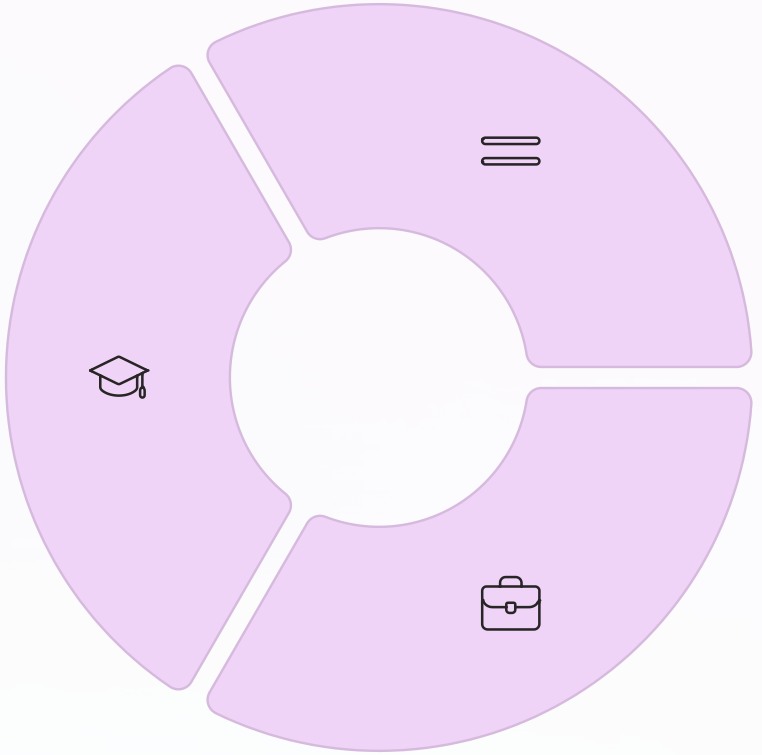
Summary

Immediate Care
Proximity benefits
Peace of Mind
Professional caregivers and CCTV
Cost Savings
Free or subsidized care options
Child Development
Cognitive growrth
&
Social skill
Risk Reduction
Eliminate the risk of alternative caregiver

SDGs Alignment Success

SDG 4

Quality early childhood education and lifelong learning opportunities



SDG 5

Gender equality through shared childcare responsibilities

SDG 8

Decent work and productive employment for all

Policy creates supportive ecosystem enabling mothers' full workforce participation

Recommendations

Future Research

Large-scale quantitative studies across industries and regions

Strengthen Enforcement

Expand compliance beyond head offices with tax incentives.

Encourage companies to be more adaptive to the daycare quota needs

National Standards

Establish clear guidelines for caregiver ratios, curriculum, and safety.

Implement legal enforcement mechanisms for companies that do not want to provide daycare facilities or do not meet established standards.

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