

STUDY FINDINGS AND RECOMMENDATIONS

DEVELOPING A CASE FOR INVESTING IN FREE UNIVERSAL CHILDCARE IN ALBANIA

AN ANALYSIS OF CHILD CARE COSTS, FISCAL REVENUE EFFECTS
AND GENDER CENTERED MULTI-DIMENSIONAL VULNERABILITY



The study provides concrete evidence on how gender sensitive public investment has important ramifications in terms of who benefits from child care and job creation. Beyond “who” benefits, the report also presents a comparative analysis of “how much and what kind of” benefits can be expected from each additional dollar gender-sensitive public spending versus gender-blind spending in universal child care.

The study findings show that supporting a universal child care expansion would generate many more benefits in early child development including jobs in total and, specifically, many more jobs for women in various gender friendly sectors; nonetheless, it would still generate a substantial number of jobs for men. These jobs are also of higher quality: a significant number of them go to lower-skilled job recipients from households from the bottom of the income distribution (for example 30%), and to unemployed workers. Finally, the combined effect would be significant, on labor demand and supply impact of a universal child care expansion on poverty alleviation, by simultaneously creating pro-women employment demand, raising female labor supply, and bolstering dual-earner households. Hence, gender-sensitive public investment (fiscal policy) is good not only for women but also for men, the unemployed, the low skilled, and the poor.

Key Study Takeaways: Universal and Reliable Child Care is Necessary and Economically Feasible in Albania

- a) Parents need reliable child care in order to address unpaid care work and return to work.
- b) Parents especially women—have suffered significant economic fallout from the unpaid care work including during pandemic.
- c) Expanding and improving child care can create good jobs for women, especially vulnerable (socially and economically) women.
- d) Child care must be structured to accommodate the reality of families’ including pandemic and post-pandemic lives.
- e) Investments in child care supply are needed and feasible to ensure families have the care availability they need and also provide return on investment in the long run.



Addressing Universal Child Care

The public investment in the universal child care draws some fundamental areas such as:

- a) Increase awareness and capacity in relevant ministries of the government's commitments on the importance of care opens a window of opportunity for ensuring that care services are financed adequately or increase gender (unpaid care) sensitive investment.
- b) Increase the transparency of budget allocations and processes in child care.
- c) Redistributing care responsibilities between women and men has to be a central objective of care policies.
- d) Increase allocations to child care (health, education and social welfare)
- e) Revitalize social, not only physical, infrastructure through care sector investments
- f) Strengthen child care policy in childcare prioritizing investments in suitable models.
- g) Invest in quality care services, care policies, and care-relevant infrastructure to reduce social and economic barriers and advance inclusion, gender equity, and gender equality.
- h) Build a care economy centred on equity, equality, and shared prosperity working with care workers, including unpaid care workers; care recipients; and feminist economists.
- i) Increase capacity of care services and facilities to support direct operational costs.
- j) Set, monitor, and enforce national standards for quality child care services based on evidence-based best practices covering staffing levels, training, service management and delivery, and protection of labour rights.
- k) Introduce care-friendly, gender-responsive policies and programs, including fiscal measures (e.g. tax), targeting women living on low incomes and their families to assist with costs of caregiving.



Key Recommendations

The time has come to re-examine economic priorities and for the Government of Albania to invest in building a human economy that is feminist and works for all citizens, including the poorest women and marginalized groups. The study proposes the following six actions to close the gap between rich and poor and to help realize the rights of unpaid care workers /carers, acknowledging the significance of care for the wellbeing of societies and economies in Albania.

1. Invest in national child care systems (including other care) to address the disproportionate responsibility for care work done by women and girls

Government must invest in national universal child care systems. National child care systems must make investments to deliver universal childcare, eldercare and care for people with disabilities. These should also include access to quality healthcare and education, as well as the provision of universal social protection, such as pensions and child benefits.

2. End extreme wealth to end extreme poverty

In order to increase investment in child care, government must take bold and decisive steps by taxing wealth, high incomes, and cracking down on loopholes and inadequate tax rules that allow rich corporations and individuals to escape their tax responsibilities.

3. Legislate to protect the rights of all unpaid care work/ carers and secure living wages for paid care workers

As part of the national child care systems, government must ensure legal, economic and

labour market policies are in place to protect the rights of all unpaid carers and paid care workers, and monitor their implementation to ensure that all unpaid workers have access to social assistance or a living wage and working towards the elimination of gender wage gaps.

4. Ensure carers have influence on decision-making processes

Governments must facilitate the participation of unpaid carers and care workers in policy-making fora and processes at all levels and invest resources into collecting comprehensive data that can better inform policy making and evaluate the impact of policies on carers.

5. Value care in business policies and practices

Businesses must recognize the value of care work and sustain the wellbeing of workers. Companies and business should assume their responsibility for contributing to achieving the SDGs by paying their fair share of taxes, implementing family-friendly employment practices such as flexible working hours and paid leave, and using progressive advertising and public communication to challenge the gendered distribution of care work.

Further step

A future research agenda would entail the development of an economic model to incorporate the multiple effects of a universal child care infrastructure: job creation, poverty alleviation, labor force participation, gender equality, changing consumption patterns, improved human capital and labor productivity, and equality of opportunity for children over the long run.