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# Subsidised childcare services: A lever for enhancing mothers' participation in the labour market in Senegal

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### Summary

Women's workforce participation in Senegal has grown in recent decades but remains low. Affordable childcare (*services de garde d'enfants*, SDG) is a key factor in supporting female employment, yet high costs limit access. This *policy brief* explores the impact of reducing childcare costs on mothers' employment. While lower costs slightly increase participation, the effect is modest, as social norms and informal childcare alternatives remain significant barriers. Complementary measures, such as awareness campaigns, are needed alongside financial support to address these challenges.

#### Data

The analysis uses data from the 2022 Household Survey on Childcare Services in Senegal by CRES. The sample consists of 1,041 women aged 15 and above with children aged 0 to 6, and 242 SDG in ten regions of Senegal. The SDGs are categorised into seven groups: early childhood care centres (23.89%), daycare centres (20.6%), preschool classes at elementary schools (17.6%), kindergartens (14.7%), community schools (12.35%), nurseries (7.83%), and preschool daaras (3.08%). The average monthly cost is 25 502 FCFA (39 euros).

#### Method

A two-equation binary model is estimated to identify the factors explaining mothers' decisions to work and households' use of childcare services. The analysis compares mothers with similar sociodemographic characteristics, including hourly wage, income, and the number of children per age group in their households. The parameters obtained from the empirical analysis are then used to simulate the impact of a change in SDG prices, i.e., an increase, on these decisions under various scenarios.

#### Results

An increase in SDG prices reduces mothers' employment and households' use of SDGs, prompting a preference for informal childcare alternatives. However, a 70% reduction in costs yields only modest improvements. with mothers' employment rising by approximately 1.12% and SDG usage by 3.38%. Residence type and SDG type influence these outcomes. In urban areas, demand for preschool daaras offering religious education is more sensitive to price change, suggesting the importance of SDG accessibility and social perceptions in shaping childcare decisions in Senegal.

## Main Takeaways

Our analysis reveals several key points:

- **High costs of childcare services (SDG):** As long as SDGs remain unaffordable for Senegalese mothers and their households, informal alternatives, such as care provided by relatives, will remain the preferred option.
- **Non-financial barriers:** Senegalese mothers' decisions to work and their households' use of SDGs are also influenced by the type of SDGs available to them and their accessibility in their area of residence.

Complementary policies, such as subsidies, expanding access in rural areas, increasing the supply, and raising stakeholder awareness could enhance the economic empowerment of mothers. Future research should explore these factors and propose context-specific solutions for Senegal.