

POLICY BRIEF

SOCIO-EDUCATIONAL INCLUSION SCHOLARSHIP PROGRAM IN URUGUAY:

Evaluating the Triple Dividend of Investment
in Childcare.

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“Initiatives to strengthen care policies in Latin America and the Caribbean”

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Socio-Educational Inclusion Scholarship Programme in Uruguay: Evaluating the Triple Dividend of Investment in Childcare¹.

Soledad Salvador, Cecilia Lara and Valentina Ríos (CIEDUR)

Introduction

Care has progressively been recognised as a right, particularly in early childhood, where the relationship between the person providing care and the person receiving it constitutes a structuring dimension of physical, emotional, cognitive and social development (Red Pro Cuidados, 2016). This recognition entails moving beyond perspectives that reduce care to healthcare or early schooling, and instead conceiving it as a right actively incorporated into the policy agenda.

In this regard, co-responsibility among the State, the private sector, the community and the family, as well as between men and women, is a necessary strategy for contributing to gender equality, since these tasks fall primarily on mothers. Accordingly, an early-childhood care policy grounded in rights and gender equity entails advancing access to and the quality of care services, while reducing and redistributing this work within households.

In Uruguay, public daily care services for early childhood have been developed mainly for children aged 3 to 5, but further progress is still needed in coverage for those aged 0 to 2. Since 2015, the development of the National Integrated Care System (SNIC) has prioritised expanding coverage for children aged 0 to 3 and extending the care day (from 4 to 6 or 8 hours per day). At the same time, the decline in the birth rate intensified, reducing pressure on the system.

Regarding the effect of this expansion in coverage on mothers' labour-force participation, several studies show a positive correlation between the two phenomena and improvements in labour-market integration as the duration of care services increases². Women's personal and economic development is, in turn, linked to better opportunities for children; in all cases, maternal education and socioeconomic status are associated with better outcomes in measurements of child development (Failache and Katzkowicz, 2019).

This contributes to addressing two problems in our society: the child and gender dimensions of poverty (United Nations, 2023). It was within this framework that the Socio-Educational Inclusion Scholarships (BIS)³ programme was created. The programme seeks to expand and consolidate the supply of childcare and early-childhood education by awarding scholarships for the daily care of children aged 0 to 3 from families participating in a MIDES or INAU⁴ Family Support programme. It opera-

¹ Review and supervision: Valentina Perrotta, Mauricio Russi and Cecilia Vide (MIDES).

² Some of these works are: Salvador and De los Santos (2018), Salvador, De los Santos and Fernández (2022), Batthyány, Genta, Perrotta, Scavino and Robello (2021), Batthyány, Cabrera, Scuro (2007); Tenenbaum (2011), Failache, Katzkowicz, Querejeta (2018).

³ <https://www.gub.uy/sistema-cuidados/tramites-y-servicios/servicios/becas-inclusion-socioeducativa-bis>

⁴ Ministry of Social Development (MIDES) and Institute of Children and Adolescents of Uruguay (INAU).

tes by securing places in private centres in areas where public provision is insufficient or where available opening hours do not meet families' needs (Care System, 2015). The programme also contributes to continuous quality improvement in centres located in areas where the population has fewer resources to finance such services.

Given current budget constraints on expanding public provision for this population, the programme was evaluated in order to identify opportunities for improvement across the three dimensions of the dividend generated by investment in care: (i) child well-being and development; (ii) freeing up the time spent on unpaid care work by the principal caregivers of children receiving the scholarship, who are mainly their mothers; and (iii) the quality of the centres and the employment conditions of care workers or educators.

Characteristics of the BIS Beneficiary Population

As of May 2025, 1,321 children were recorded as attending 155 private childcare centres. The programme's budget amounts to 165 million Uruguayan pesos (equivalent to US\$4.1 million).

The Triple Dividend of Investment in Childcare



Nearly 90% of households receive Family Allowances under the Equity Plan (AFAM PE), 40% receive the Child-Rearing Grant, 40% receive the Uruguay Social Card (TUS), and 16% receive the Double Uruguay Social Card (double TUS), demonstrating the level of vulnerability of these households. Other factors are also considered when awarding

the scholarship, including the absence of family support networks, care overload and situations of violence.

Demand for the scholarship has grown since the programme's inception, except during the pandemic. This is a positive development because, despite a change of government and limi-

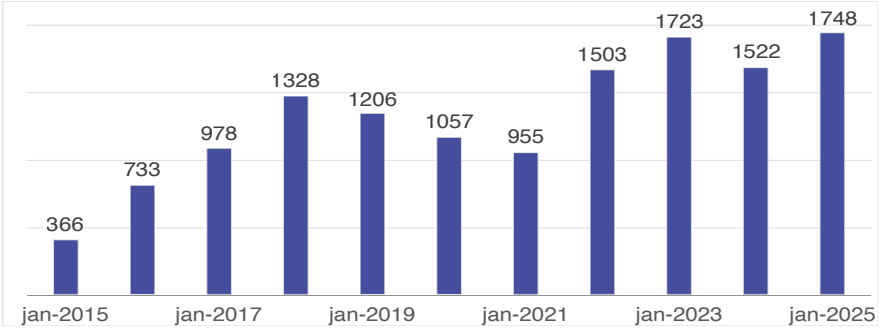
⁵ AFAM PE: Monthly transfer to pregnant women, minors under 18, or people with disabilities living in households in situations of socioeconomic vulnerability, or who are full-time residents of INAU (National Institute for Children and Adolescents) or affiliated institutions. Childcare Bonus: Monthly transfer for the purchase of basic necessities, aimed at households in situations of extreme socioeconomic vulnerability where pregnant women and/or children up to 3 years of age reside. TUS: Cash transfers granted to improve income levels and access to basic consumption. It is also a means of payment for other cash transfers. Purchases made with the card are exempt from VAT. Source: <https://www.gub.uy/ministerio-desarrollo-social/>

ted willingness to allocate resources to the SNIC, the programme remained in operation and received some funding. Overall, scholarships are distributed by age in almost equal thirds among children aged 1, 2 and 3, while children under 1 account for less than 10%. Regarding service duration, between 2019 and 2025 demand for eight-hour services intensified at level 0 (rising from 24% to 72%) and at level 1 (from 68% to 78%).

Most centres with active scholarships remain located in Montevideo (54%) and Canelones (24%), although the share of other departments has increased. One limitation is that the private sector has a smaller presence in smaller localities. In Montevideo, centres are concentrated in Municipalities A and G, where poverty levels are highest (INE, 2025).

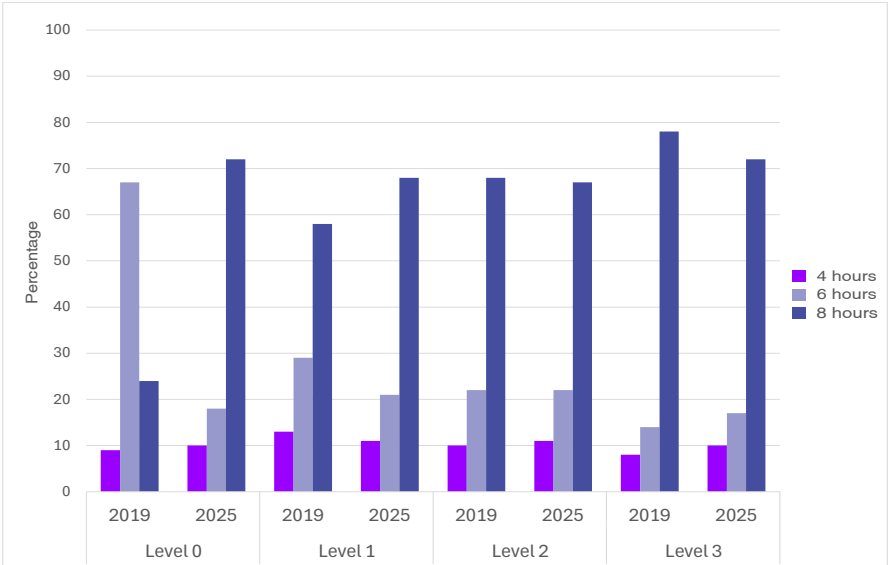
Service quality has also improved, as coverage by centres with the highest rating (type 3) has increased. In 2025, 75% of children receiving a BIS scholarship attended centres classified as type 3, compared with 67% in 2019. This classification considers specific parameters (infrastructure, training, human and technical resources)⁷ and is used to establish prices and the maximum number of scholarships a centre may receive, with the aim of encouraging improvements.

Figure 1. Trends in BIS Scholarships, 2015-2025⁶.



Source: National Care System Report, March 2026.

Figure 2. Distribution of Scholarships by Attendance Level and Number of Hours, 2019 and 2025.

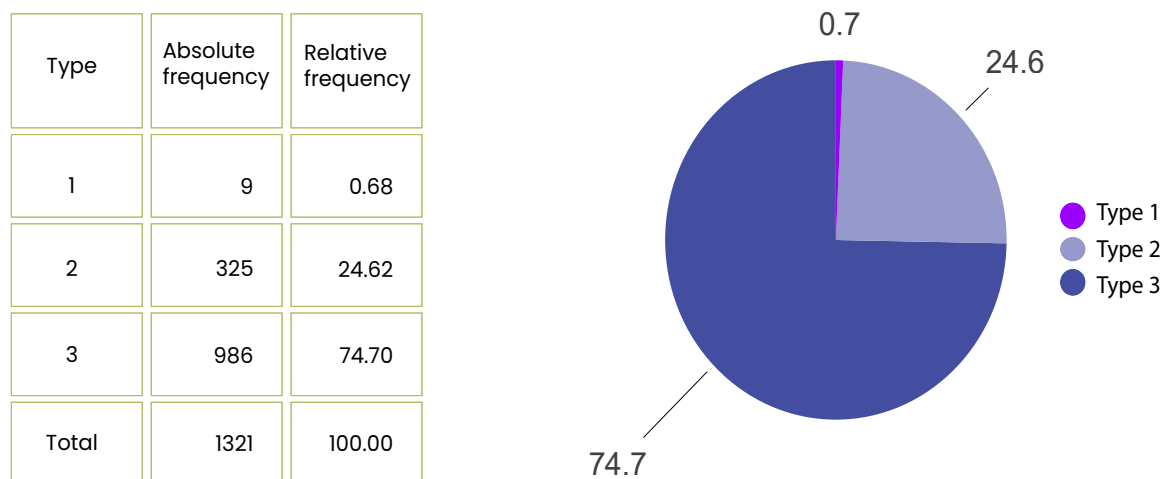


Source: Authors' calculations based on MIDES administrative records and the Care System (2019)..

⁶ It is important to note that the number of scholarships varies between January 2025 and May 2025 because a new academic year begins in March and there are changes due to those leaving the system and new students joining..

⁷ <https://www.gub.uy/sistema-cuidados/comunicacion/publicaciones/manual-para-nuevos-proveedores-becas-inclusion-socioeducativa>

Figure 3. Number of Scholarships by type of institution.



Source: Authors' calculations based on MIDES administrative records.

Objectives and Methodology

The project sought to generate evidence to assess the contribution of the Socio-Educational Inclusion Scholarship (BIS) programme to gender equality and to develop arguments to ensure the sustainability of its financing by demonstrating the triple dividend generated by the investment. This refers to promoting appropriate child development; supporting the labour-market participation or continued education of adult caregivers; and improving the quality of care provided by centres and working conditions.

The research was conducted between March 2025 and June 2026. It used mixed methods (quantitative and qualitative) and a triangulation strategy that combined structural and management perspectives with expe-

riences and perceptions arising from everyday practice.

The quantitative analysis consisted of:

- Analysis of administrative records for scholarships as of May 2025.
- Telephone survey of directors of private centres with active scholarships.
- Analysis of the 2023 Population and Housing Census databases and the 2023 Survey of Nutrition, Child Development and Health (ENDIS) to identify territorial coverage gaps and gaps related to mothers' educational characteristics and labour-market participation.

The qualitative analysis combines:

- **Semi-structured interviews with key informants:** conducted with actors in public

institutions responsible for the design and implementation of the BIS Programme.

- **Group interviews with referring teams:** technical teams responsible for referring scholarship beneficiary families.
- **Semi-structured interviews with predetermined groups of workers:** conducted with educators/caregivers and technical teams (psychomotor therapists, psychologists, social workers, among others) at the centres.
- **In-depth interviews with caregivers:** conducted with the principal caregivers of children receiving the scholarship.

Finally, a working session was held with the technical teams of MIDES, INAU and ANEP to develop the public policy recommendations. An exchange session was also held with members of Red Pro Cuidados, the project's counterparts.

Table 2. Methodological Design of the Study

Technique	Actors	Scope
Individual and group semi-structured interviews	Key informants from public institutions	5 interviews, 13 people
Group interviews with referring teams	Referring technical teams: Territorial Offices and referring programmes	4 interviews, 11 people
Telephone survey	Directors of private centers with active scholarships	123 surveys, 79.4% of centres
Group interviews with centre workers	Education/caregivers and technical teams at private centres	11 centres, 22 workers (educators, technical and administrative staff), 8 groups
In-depth interviews with caregivers	Principal caregivers of the child receiving a BIS scholarship	74 interviews

Key Findings

1. Perceived effects on caregivers

The 74 in-depth interviews with caregivers reveal a profile composed mainly of young mothers (aged 20 to 35), with low educational attainment (18% had not completed lower secondary education and 41% had not completed upper secondary education), who do not live with a partner (71%) and receive AFAM⁸ (87%). This places them among the most socioeconomically vulnerable groups and reveals an overlap between care responsibilities and

income provision, consistent with evidence showing that women's labour-force inactivity in Uruguay is associated with difficulties in reconciling care and employment, particularly in households with lower educational attainment.

Before receiving the scholarship, half of the families met their care needs through family networks (grandmothers, sisters, neighbours, mothers-in-law and partners). In the remaining cases, mothers either stopped working to provide care or worked while caring for their children. The hiring of nannies or paid childcare was

reported only by a minority, and on a partial and discontinuous basis.

Access to the scholarship freed up time previously absorbed by care work without financial compensation or social recognition, creating concrete opportunities, mainly for labour-market participation and continued education. Caregivers particularly value the centres' flexibility in accommodating work and care schedules. This effect is especially relevant in a context of weak support networks and limited participation by fathers as co-providers.

⁸ AFAM PE: a non-contributory cash transfer program for pregnant women (prenatal), children and adolescents under 18, or people with disabilities who live in households experiencing socioeconomic vulnerability or who receive full-time care at INAU facilities or institutions with agreements with INAU. These transfers may or may not include TUS, which refers to cash transfers designed to improve income levels and access to basic necessities. Source: <https://www.gub.uy/ministerio-desarrollo-social/>

However, time for leisure or personal rest remains almost non-existent, since the scholarship shifts care to the educational centre but does not alter the gender distribution of care within the household, where mothers continue to bear responsibility for this work.

2. Perceived effects on service and job quality

Based on the analysis of the centres and compared with the 2019 study, **the centres demonstrate greater strength because they improved their classification in the service-quality typology, accumulated more experience working with early childhood and vulnerable families, and increased staff qualification levels.**

Regarding working conditions, nearly 70% of directors positively assess the programme's influence on employment stability, training and wages. The increase in enrolment generated by the scholarships made it possible to hire staff on a permanent basis, retain workers who had previously been hired seasonally and, in some centres, acquire equipment and add specialised professional profiles.

Finally, several areas for strengthening were identified: greater clarity in the programme's monitoring and support mechanisms; more opportunities for dialogue and exchange of experiences among referring teams, enabling them to share strategies for working with centres and thereby help strengthen service quality; and actions aimed at increasing the social recognition of care work.

3. Perceived effects on child well-being and development

The findings in this area show both concrete benefits for child development and aspects of institutional support that could be strengthened to sustain this process throughout children's participation in the programme. It is important to note that these findings are based on perceptions reported by families, directors and centre workers, rather than on direct measurements of child development.

Families report concrete advances in their children's development that they attribute directly to their experience at the centre, including progress in language, greater autonomy, the adoption of habits such as toilet training, improvements in hygiene and nutrition, and greater socialisation. Centres were also reported to function as spaces for transmitting information and tools to families, with recognition of the impact this has on the child's development and family environment. Educational teams also address specific needs for support, including the establishment of routines, boundaries and emotional stability. **There is consensus that the scholarship generates well-being not only for scholarship recipients and their families, but also for the other children at the centre.**

Nevertheless, the analysis also identifies aspects of institutional support that could be strengthened. Once the scholarship has been processed and admission to the centre

confirmed, contact with MIDES or other institutions tends to cease. Where follow-up does occur, it is usually limited to one or two calls to ask whether the family is satisfied with the centre; only a minority describe more sustained support, linked to specific programmes such as Uruguay Grows with You or to irregularities or emerging issues requiring specific intervention by the programme or the referring team. The analysis shows that institutions are willing to provide support beyond direct intervention, but their actual capacity is constrained by available resources. Consequently, follow-up often arises reactively in response to specific enquiries rather than as a systematic practice. Leaving the scholarship programme therefore emerges as one of the moments of greatest vulnerability for continuity in the child's education and care pathway, and is a shared concern among the various actors involved.

In this component, areas for strengthening include a more sustained presence of technical teams to support both the child's inclusion process and the centre's own team in coordinating and referring complex situations. Territorial scale is relevant here, since in smaller cities the proximity among technical teams, families and centres enables forms of support that are more difficult to replicate in larger territories. Notwithstanding the opportunities for improvement, the overall assessment of the inclusion process is highly positive.

Policy Recommendations

Based on the study findings, public policy recommendations were developed through a participatory workshop and consultation sessions with the various actors involved. The main policy recommendations are organised according to the three dimensions of the triple dividend of investment in childcare.

Regarding **the reduction of unpaid work and its contribution to caregivers' training and/or employment:**

- **Institutional coordination for labour-market and educational inclusion.** Improve coordination with specialised employment and training programmes and mechanisms, and provide specific support, where necessary, for mothers seeking employment or wishing to continue their studies. In the same vein, ensure that public and private centres offer the scheduling flexibility needed to accommodate unforeseen work- or education-related circumstances.
- **Adjustments to programme management.** Review the timing of the sequence from application to acceptance and activation of the scholarship, in order to ensure the child's timely integration into the centre and to take advantage of employment opportunities. The criteria for prioritising profiles and for referral and

application should also be reconsidered.

- **Promote cultural change:** Incorporate caregivers' well-being, rest and life plans beyond their impact on labour-market or educational participation. Likewise, strengthen communication campaigns addressing social representations of care and gender co-responsibility. This forms part of the 2026–2030 National Care Plan.

Regarding **service quality and working conditions:**

- **Spaces for exchange and networking.** Deepen exchanges among centres and MIDES and INAU teams as spaces for discussion, systematisation and knowledge-sharing across diverse territorial experiences, using them as a tool to build better support practices. Emphasise identifying and strengthening centres' territorial networks in order to expand available tools and resources. Improve dissemination of tools aimed at enhancing quality, such as Care + Quality, and reinstate case-review sessions or other regional strategies for exchange and work on common challenges.
- **Strengthening institutional follow-up.** Establish agreements on prioritising applications, resume use of the follow-up manual, advance shared and more robust mechanisms for resolving everyday situations,

and clarify the scope of the work performed by referring teams.

- **Recognition and professionalisation.** Work to increase the visibility of care work, its professional qualities and its multidimensional nature; continue prioritising places at CENFORES; and design specific training according to the needs of each territory. Also explore the possibility of shared specialised teams for centres that lack these resources.

Finally, regarding the **contribution to child development and well-being:**

- **Strengthening territorial support.** Explore the potential of community and territorial networks as an additional source of support, and resume exchanges and training among centres and territorial teams on specific issues (gender-based violence, cultural diversity, parenting practices, disability, nutrition, among others).
- **Review institutional oversight and support mechanisms:** Advance new programme follow-up guidelines; consider economic barriers to extracurricular activities and the availability of food and hygiene supplies; improve attendance-monitoring mechanisms; and continue implementing a randomised system of calls to families to assess satisfaction and identify opportunities for improvement.

- **Follow-up to ensure continuity after programme exit.** Work with ANEP to ensure continuity in children's education and care once the scholarship ends, coordinating with the teams that analyse available provision. Experiences in smaller cities suggest

that closer-knit settings may provide a useful starting point for testing more sustained follow-up models.

Beyond these short- and medium-term lines of work, more structural and political decisions remain pending: moving

towards universal educational provision from age 3 and extending service hours; monitoring educational continuity through the GURÍ system, with a focus on attendance and grade repetition; and conducting impact studies on child development to assess the programme's medium- and long-term effects.

Future Outlook

The current budget allocated to the programme, and to the care plan as a whole, is very limited, as it does not provide for any expansion of coverage beyond that which may result from the declining birth rate. Even so, this does not resolve the coverage gap, which stands at almost 50% for childcare services operating 20 hours or more per week. The final report of the Social Dialogue agrees on the following policy direction for early childhood: "expand coverage for children aged 0 to 2 by creating places in the different care modalities managed by INAU", including BIS (OPP, 2026:47). This will require identifying alternative forms of financing that make it possible to go beyond the resources allocated in the national budget.

BIS has the potential to address childcare needs flexibly and cost-effectively where public provision is insufficient, but it is also limited by the requirement that private centres with available places exist throughout the country. This condition is not always met in isolated areas or areas with low birth rates. It is therefore essential to develop coverage scenarios for children aged 0 to 2 and to identify coordinated ways of closing these gaps.

Nevertheless, it is important to bear in mind that investment in childcare services not only creates opportunities to improve caregivers' employment status and training (generally mothers), generate employment and enhance the quality of services provided; it is also geographically distributed, meaning that the returns on this investment accrue across the entire national territory.

Finally, a study of the fiscal returns generated by investment in childcare, assuming an expansion of public provision, estimates that these returns could reach 51% of the initial outlay (UN Women, 2019). To this must be added the impact of this investment on economic growth and productivity through improvements in employment (in both quantity and quality), greater motivation and commitment, a broader talent pool, improved concentration at work, and reductions in absenteeism and staff turnover (Hallsdóttir, Beaton-Day and Devercelli, 2025).

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