

# Time spent in early years settings leads to better-paid jobs <sup>[1]</sup>

**Author:** Gaunt, Catherine

**Source:** Nursery World

**Format:** Article

**Publication Date:** 23 Jul 2017

## AVAILABILITY

Read online <sup>[2]</sup>

## EXCERPTS

New evidence on the potential value for money of early education and childcare (ECEC) to the individual and society has emerged.

Findings show that the financial return to Government and the individual could outweigh the cost of investment in childcare, with children growing up to have better-paid jobs and less reliance on the state.

The analysis by Frontier Economics calculates the size of the impacts that different types of provision would need to have on children's development at the age of three and four in order for the financial benefits to match the costs of delivery - for example, part-time or full-time, whether private, voluntary, or school, and by quality.

Actual impacts in excess of breakeven points would indicate positive value for money.

The research is part of the longitudinal Study of Early Education and Development (SEED), commissioned by the Department for Education (see page 6).

Most of the benefits in terms of monetary value were found to be in higher earnings later in life rather than the cuts to the cost of Government services, and around two-thirds of the benefits accrue to individuals rather than Government.

A medium-sized impact on cognitive and social development measured when children were three- and four-years-old in the SEED study was estimated to be worth around £4,000.

Differences in the breakeven impacts across different types of provision are directly proportional to the differences in cost.

Costs of full-time provision (1,560 hours a year) are 2.7 times greater than part-time early education (570 hours a year).

The researchers conclude that full-time early education will therefore need to have considerably larger impacts than part-time education to offer better value for money.

However, differences in cost are much smaller across different types of providers and quality of provision, which means that higher cost options would not require substantially greater impacts to offer better value for money.

-reprinted from Nursery World

**Region:** International <sup>[3]</sup>

**Tags:** child development <sup>[4]</sup>

poverty <sup>[5]</sup>

outcomes <sup>[6]</sup>

economics <sup>[7]</sup>

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<https://www.nurseryworld.co.uk/news/article/time-spent-in-early-years-settings-leads-to-better-paid-jobs> <sup>[3]</sup>

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