

Campaigners urge annual €2bn childcare investment to benefit early development ^[1]

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EXCERPTS:

Campaigners have called for an annual €2 billion investment in childcare to benefit child development and allow women to get back to work.

But tax hikes may be needed to fund such a system, they added.

A second free pre-school year and regulation for all paid childminders should be introduced by next year, a study by Barnardos, the National Women's Council, lone parents group Open and childcare advocates Start Strong showed.

Over the next six years afterschool care should be provided as well as training for all childcare staff. There should be paid parental leave for a child's first year, up from the current six months, and subsidies for all parents for childcare costs. By 2020 a high-quality, well-regulated childcare system should be in place run by a professional workforce.

Increasing income tax, capital gains tax and capital acquisitions tax could yield more than €1.5 billion. Abolishing tax relief on property and pension reliefs could yield another €2 billion, the study showed.

Toby Wolfe, acting director of Start Strong, said the €2 billion needed was a lot of money. "It is a large investment but it's an investment that we know yields large economic returns," he told a seminar yesterday which looked at the Scandinavian model of childcare.

Money could also be diverted into the system from child benefit, which the State spent €2 billion on last year, said Micheál Collins of the Nevin Economic Research Institute. "The return the State gets back will pay for itself over time," he said.

Good quality early childcare improved children's numeracy and literacy, and made them more sociable and healthier, the seminar heard. Children from poorer backgrounds benefited the most with longer attendance in school.

Ireland spends €1.2 billion or 0.7 per cent of its gross domestic product on childcare and parental leave. This includes 0.2 per cent on maternity leave and 0.5 per cent on the free pre-school care which costs €166 million annually and primary school care for four- and five-year-olds.

A proper functioning system of preschool care and afterschool care would require €3.2 billion. To achieve this by 2020, spending of an extra €280 million each year would be needed, the study showed.

The Danish system involved universal care for all children provided by the state, said Prof Tine Rostgaard of Aalborg University, Denmark. The system was delivered and regulated by the local authorities with compulsory training for staff. There was a 98 per cent take-up of day care for children between three and five years, she said.

The cost of childcare as a percentage of people's wages was between 6 and 8 per cent; in England it was between 32 and 34 per cent of wages, Prof Rostgaard added.

The Scandinavian countries showed the benefits of good childcare, said Fergus Finlay, chief executive of Barnardos.

"All these countries with strong childcare also happen to have strong economies. The Scandinavian countries have weathered the storm of the recession and it's not a coincidence that they have invested in childcare," he said.

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Childcare by the numbers

0.25%

The amount Ireland spends on childcare and pre-school education per GDP. This compares with 1.3 per cent for Denmark; 1.1 per cent for Sweden; 1 per cent for Norway and 0.9 per cent for Finland

14

The number of weeks' paid leave fathers in Norway get. This compares to 12 weeks in Iceland; eight in Sweden; four in Finland and two in Denmark. Fathers in Ireland are not entitled to any paid leave

60%

The percentage of Irish women in employment. This compares to 80 per cent for women in Iceland; 75 per cent for Norway; 74 per cent for Denmark; 73 per cent for Sweden

11.4%

Child poverty rate in Ireland. This compares to 3.7 per cent for Denmark; 5.4 per cent for Norway; 5.5 per cent for Finland and 7 per cent for Sweden

Figures are from OECD family database and Eurostat

Region: Europe ^[2]

Tags: funding ^[3]

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