

## A PUBLIC CHILDCARE SYSTEM

**Childcare needs to change. It is costing parents too much, childcare workers are under paid, there aren't enough places and providers are under huge cost pressure.**

**We need to bring Ireland into line with our European neighbours and that's why Labour will develop a universal public childcare system.**

### A PUBLIC CHILDCARE SCHEME FOR WORKING PARENTS

This scheme is the first step towards Labour's vision of a universal public childcare service for all parents that is high quality and much more affordable, which ultimately will replace other schemes and subsidies.

Parents should never have to choose between their children and their job. Not surprisingly, when compared to other small open economies in Europe, Ireland's female labour force participation rate is among the lowest and remains below the pre-crisis levels. This is in large part due to Ireland's unaffordable childcare costs.

We need to try something new and bring Ireland into line with our European neighbours when it comes to childcare. The costs to parents would be moderate and set at the EU average level of childcare costs. As it stands, parents in Ireland are paying three times the EU average cost. The current model is not working.

Labour's scheme will first target parents who cannot work because of the prohibitive cost of childcare. There are around 300,000 children in the 0-4 age group, and around two-thirds of them use some form of childcare service at present. To start, the first phase will cater for around 6,000 children (2% of all children in the 0-4 age group), targeted initially at parents who can't afford to work and pay for childcare costs. Based on the outcomes from this pilot, the service will be expanded.

The service will include early drop-off times and late collection to reflect modern work practices and commute times, and will be based on best practice education, play and early learning. Only appropriately regulated and inspected childminding services will be eligible to be involved, and we will prioritise community-led, not-for-profit childcare models. The costs to parents will be moderate, set at the EU average level of childcare costs. Irish parents are currently paying three times the EU average.

The approximate cost of the programme will be €60 million, to be funded through existing tax revenue. That's €10,000 per child, based on the assumption that half the premises to be used will already be state-owned. There might also be an initial capital cost to prepare sites, and a further allocation of €20 million will be made available for that. The scheme will be rolled out on a pilot basis to start, and if the take-up is high, have a public discussion on what it would cost to scale it up.

## **OVERSIGHT OF CHILDCARE PROVIDERS**

Labour will increase inspections and oversight of childcare providers, following from the highly critical report of the Comptroller and Auditor General in relation to €400 million in grants received by the Hyde and Seek chain.

## **PROFESSIONALISATION OF CHILDCARE WORKERS & CONTINUITY OF CARE**

Currently, the average wage for the some 25,000 childcare workers in the sector is just €11.18, a euro below a living wage. The turnover rate for the sector is high, which is detrimental for the continuity of care that is critical to a child's development at an early age. The model is clearly not working and needs to be reformed for parents, providers and most importantly the children who avail of these services.

Labour will ensure that childcare workers are paid what they deserve and guarantee at least the Living Wage for all staff. If we want a high-quality service with low turnaround, then we need to pay staff properly.

Specifically, we will raise the pay floor in childcare to a higher minimum wage through a Sectoral Employment Order (SEO) for that sector. This will provide a decent wage for childcare professionals and therefore reduce the high turnover rate of childcare staff, ensuring greater continuity of care.

## **LOWER INSURANCE FOR PROVIDERS OF CHILDCARE**

At the end of 2019, a once-off €1,500 payment was given to each childcare provider to help them deal with extra insurance costs. This highlighted the Government's complete mismanagement of both the childcare and insurance sector. Simply throwing more money at the problem will not solve the long-term issues which lead to the continuous rise in insurance premiums, subsequent closures and fewer places for parents seeking childcare.

Labour will promote Pooled Group Insurance schemes which will ensure significantly cheaper premiums for businesses, voluntary and community groups who could act together to negotiate lower premiums. The Department of Children and Youth Affairs will be tasked with facilitating childcare operators who wish to pool together to seek insurance.