

EPSU Statement

Social Services Working Group discusses the need to boost investment in Child Care

EPSU commissioned a briefing on the social and economic benefits of investing into good quality childcare and early years education to the Labour Research Department (LRD). The briefing gives an overview over cost-benefit studies that demonstrate the social and economic (short and long term) benefits from such investment. In principle, those studies demonstrate that the return on investment is up to three or four times higher than the actual initial investment into childcare services.

This briefing underlines the urgent need for a major boost to investment in childcare across Europe. While this implies a short-term cost, this briefing makes very clear that in the medium and longer term, this investment will produce significant social and economic benefits that will more than justify the initial outlay. EPSU highly encourages greater provision in childcare and puts the emphasis on quality as well as access and affordability. EPSU hopes that this document will contribute to pushing childcare up the political agenda and help make the case for a better recognition and improvement of pay and working conditions of those working in this sector.

Childcare and early years education have emerged as an important issue for the European Commission in its annual process of policy coordination – the European Economic Semester. Amongst its priorities, the 2015 Annual Growth Survey (part of the European Semester) includes the “[...] need for simplified and better targeted social policies complemented by affordable quality childcare and education [...]”.

At the Barcelona Summit of 2002, the European Council set targets for provision of childcare for all EU Member States (to provide childcare by 2010 to at least 90% of children between three years old and the mandatory school age and at least 33% of under-threes). The latest European Commission evaluation of progress towards the Barcelona targets found that only six Member States had met both targets while 12 had reached neither.

The return on investment can be categorised as follows:

- Enabling more women, particularly mothers of young children, to take up employment, and to increase their lifetime earnings. These effects have fiscal and other economic benefits in both the short and long-term¹.
- The creation of childcare/early years employment, with the consequent tax receipts to exchequers and reduction in spending on benefits².
- Enhanced educational achievement and social development in the children taking part in such provision, bringing social benefits to populations³.
- Reduced problems in adolescence and adulthood from those having participated in good early years provision, bringing economic benefits to taxpayers and populations⁴.

EPSU is the European trade union federation that brings together the vast majority of trade unions representing childcare workers across Europe. Its Social Services Working Group discussed and endorsed this report.

The briefing is available at <http://www.epsu.org/a/11729> in English. Translations of this statement in French, German, Spanish and Swedish will be available on <http://www.epsu.org/a/11728> at a later stage.

¹ European Commission 2014, OECD 2014, IPPR 2011

² AKÖ 2013, Müller and Bauer 2001

³ Cleveland and Krashinsky 1998, Sylva et al 2003 and 2014, Melhuish 2004

⁴ Schweinhart 2003, WSIPP 2004, nef 2009