

STAY-AT-HOME PARENTS ASSOCIATION IRELAND

SUBMISSION TO THE AFFORDABLE CHILDCARE SCHEME

Key points

- A two-income family trap leads to an increase in the cost of living and a reduction in autonomy (Elizabeth Warren, 2009). Therefore direct subsidisation of one form of childcare at the cost of another, creates a situation where the increased spending power of a two income family forces up the cost of living for all, leaving a one income family at a distinct disadvantage.
- We are firmly opposed to forcing parents through economic necessity, for example due to excessive childcare costs, to stay in the home against their wishes. However the reverse is also true. Parents should not be forced against their wishes into the labour market due to government funding and taxation policies which favour dual income families. It is being made more and more unaffordable to stay at home.
- Incentivising one form of childcare over another has the effect of reducing choice, this is not of benefit to children. For example in Denmark, over 70% of under 2 year olds are now in formal day care for over 30 hours per week (Plantenga and Remery, 2009)
- Making an assumption that paid labour is liberating while home childcare is not, is problematic for many women. Choice is liberating.
- There has been a move away from identifying the problem as 'women's lack of access to the workforce' (Bacchi, 1999) to how 'child care supply is considered in relation to all children, not just children whose mothers are in the labour force' (Friendly, 1994)
- European and other states provide direct financial support to stay-at-home parents, most notably Finland and some other Scandinavian countries.
- More women in the UK say they would like to be able to afford to care for their children at home, than the reverse (Department of Education, 2016)
- 54% of those working outside the home said they would like to work fewer hours
- Equality of opportunity for all genders is what we should be aiming for, which may not necessarily equate to equal numbers participating in the paid labour force
- Stay-at-home parents are childcare providers, providing the same service as crèches and childminders
- All childcare choices are valid when based on the needs of individuals. We believe this choice should be made by the family, who should be supported equally in this choice.
- Subsidisation of childcare needs to include all forms of childcare, including home carers.
- The real difference can be made in closing the financial gap between families, who carry the burden of care for the next generation and those families without children.
- Family and community support should be prioritised, as these factors have been shown to be the key factors, not childcare provision, in changing outcomes (Russell, Kenny and McGinnity, 2016)
- While parents should make the ultimate decision, policies that incentivise long periods of formal childcare have been shown in numerous studies, including Growing Up in Ireland, to have negative impacts on development
- There is an inherent ideology in support being dependent on labour market participation, rather than need (Bacchi, 1999)
- 'The care-type analysis showed that there were small beneficial effects of centrebased care for disadvantaged children; however, the wide gap between this group and children from more

advantaged background is not altered by these effects. Much more fundamental redistribution of resources and opportunities would be necessary to bridge the divide.'

Issues facing our members

1. Loss of tax allowances for Stay at Home Parents (SAHP).
2. Home Carer tax credit is unfair and does not redress the issue.
3. ECCE is not of financial benefit to SAHP but it does help with the childcare costs of other families.
4. Loss of an income.
5. Increases in cost of living, particularly where childcare subsidies are introduced for some and not others.

Inequalities

- Home Carer's Tax Credit cannot be used by parents who are unmarried, lone parents or others who fall outside the tax net.
- Two-income families retain all of their tax credits
- Families with two incomes have to spend a large portion of their income on their childcare however a stay at home parent's income is sacrificed in its entirety for childcare and these families also have a larger tax bill

Tax individualisation

To illustrate the unfairness of tax individualisation

A couple earning €30,000 and €20,000 a year will bring home €43,860

A single earning couple earning €50,000 will bring home €39,467

Difference of over €4000 a year (the tax is higher again where the couple are unmarried)

Bibliography

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