



Joint Oireachtas Committee on Children and Youth Affairs
Opening Statement on the Affordable Childcare Scheme
Wednesday 8th February 2017

Introduction

Chairman, Vice-Chair, members of the Committee, thank you very much for your invitation to speak to you today about DCYA's new Affordable Childcare Scheme (ACS).

As many of you know, Early Childhood Ireland (ECI) is the representative and support body for the early childhood care and education (ECE) sector in Ireland. We have over 3,500 childcare members who support over 100,000 children and their families through preschool, full day care and Out of School Care nationwide. Our work includes quality enhancement, publications, advocacy, training, business support and information for a sector that employs 25,000 people. The best interests of the child is of utmost importance to ECI and we work to ensure that all children are thriving and learning in quality early childhood settings

ECI is acutely aware that the cost of childcare is unaffordable for many parents and given the parallel crisis in the housing and private rental market, many families are struggling to cope. The sector is beset by a number of interrelated challenges. Well qualified staff are essential to the delivery of a quality ECE service for children. The increasing difficulty faced by providers in retaining and recruiting well qualified staff will not be resolved without dealing with the low pay and poor conditions in the sector. Low pay cannot be addressed without proper funding that also supports sustainable business models for childcare provision. The viability of services depends on such funding and ultimately, there can be no positive progression in any of these areas without significant investment by Government.

ECI's policy and advocacy work is underpinned by the belief that: quality for children; sustainability for both childcare services and their staff; and affordability for parents are the three essential, interconnected pillars of a robust, functioning and desirable childcare system. As such, for the ACS to work it must address quality, sustainability and affordability together.

ECI welcomes the development of the ACS, which represents a significant change to the current structure of State funded childcare supports. We welcome the amalgamation of existing targeted childcare programmes into a single, streamlined and hopefully more user-friendly scheme. However, we think it is a mistake that the free pre-school years (ECCE) are not incorporated into the scheme from the outset.

We welcome the principle of Progressive Universalism whereby ACS encompasses both universal and targeted elements that can be increased over time as additional State investment becomes available and where families and children in most need receive the greatest financial support.

We welcome scheme's stated objectives to promote (i) a reduction in child poverty, (ii) positive child development outcomes, (iii) labour market activation and (iv) improved quality but it does not appear to ECI that the focus of the scheme actually reflects the priorities in this order, or that the scheme, as currently proposed, is capable of addressing all the objectives. For example, we are disappointed to see 'improved quality' as the last stated objective, especially since it is intrinsically linked to the second objective to improve child development outcomes.

We know that early education and care matters to children and communities and that investment in early years is a cost effective way of promoting economic growth. We also know that there are no returns on investment if quality in early childhood services is not maintained.¹ The early care and education (ECE) workforce is one of the most influential determinants of quality in the ECE sector.² It is the quality of relationships, the nature of the interactions and the ability of the adult to support children's early learning that matter and impact on children's social, emotional and cognitive outcomes. High quality adult-child interactions are most often found where the people working with children are highly qualified and where wages are sufficiently high to minimise staff turnover and to reward staff for the investment they make in their education and training.

Getting the cost model right from the start is imperative to the success of the scheme for children, families, operators and the survival of the sector. ECI is very concerned that ACS is being rolled out before conducting and publishing an independent review of the cost of providing quality childcare in private and community settings, consistent with the principle of ongoing professionalisation of the sector, as per the Programme for Partnership Government commitment in May 2016.

It is most regrettable that the cost model being used to calculate the targeted subsidies is based on the current, unacceptable status quo whereby the majority of the sector are breaking even at best and the workforce are highly professional, low paid and employed on a part-time/38 week basis.

A commitment to the principle of ongoing professionalization of the sector can be shown through the development of an Early Education and Care Workplace and Professionalisation Plan, an agreed salary scale for Early Years Educators and proper provision for non-contact time (a minimum 10% of contact hours) and CPD for staff, all of which ECI advocates for and all of which are absent from the current cost model.

Maintaining this status quo will do nothing to improve the sustainability of services or the poor pay and conditions for staff, which had led to a staffing crisis whereby services cannot recruit or retain the staff needed to comply with the regulatory requirements for the sector.

Melhuish, E. (2011) 'The Early Years and Later Development-Evidence and Social Policy' Presentation to Growing Up in Ireland Conference. Dublin, December 2011.

² CoRe Report of the European Commission (2011).

Ultimately, this should be a **scheme for children** with their best interests at the core of its design. Rather, this feels overwhelmingly like a **scheme for parents** (affordability) and **about parents** (labour market activation). While listed as the third objective by DCYA, labour market activation appears to be the overarching consideration in the development of the targeted subsidy.

ECl welcomes that exceptions are envisaged under the targeted subsidy to the maximum funding of 15 hours of childcare where a parent/s are not working or studying, for example where a family is homeless and in emergency accommodation or where the primary carer is suffering from a serious illness or disability. It is not yet clear how this will be dealt with. ECl advocates that these exceptions are supported/underpinned by legislation or regulation, as appropriate, and that the exception for children in homeless families includes children in hidden homelessness i.e. those in families that are 'couch surfing' and staying with friends and family. We are also calling for the exceptions to be extended to include other groups of vulnerable children. For example, children of women engaging in drug treatment programmes, living in Direct Provision or in families with Asylum Status but without habitual residency.

In relation to restricting the access of non-working parents to only 15 hours of subsidised care, ECl supports the recent submission made by South Dublin County Partnership et al to the ACS.

Welcome the change from a 48-week funding model to a 52-week funding model, which we had suggested for from the start, and we will continue to advocate on issues of outstanding concern to our members: the hourly subsidy and hourly fee for childcare; assumptions around parent's access to and competency with computers/technology; the administrative burden for services; the requirement of providers to police absences and changes in childcare provision; and most importantly the inadequate cost model from the outset, with no consideration to professionalisation.

ECl is currently scrutinising the Heads of Bill and General Scheme for the ACS and the revised FAQs and looks forward to working with the Committee and the wider Oireachtas membership to ensure robust legislative scrutiny and to ensure that the scheme, when commenced, represents a move toward a model of childcare in Ireland that can deliver: the best **quality** care and education for children in the most formative years of their development; viability and **sustainability** for both early childhood services and their staff; and access and **affordability** for parents to childcare facilities and services.

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