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#### POLICY BRIEFING

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#### CONTACT

Dr Helen Norman Research Associate School of Social Sciences Tel +44 (0)161 306 6935 helen.norman@manchester.ac.uk

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#### **KEY MESSAGES**

- The provision of affordable and quality childcare for pre-school children, and pre-teen children in school and outside school hours, is crucial for supporting maternal employment along with flexible work arrangements and a system of flexible and well remunerated parental leave.
- Family leave systems should also include strong incentives for fathers to take on more family responsibilities in order to promote a more gender equitable sharing of care responsibilities.

# UK Childcare in the European Context

This briefing note draws on the work of Professor Colette Fagan and Dr Helen Norman, academic UK team for the European Network of Experts on Gender Equality (ENEGE). Also see http://www.socialsciences.manchester.ac.uk/disciplines/ sociology/research/impact/employment

### Summary

Following the launch of the 1998 National Childcare Strategy, the UK has made important strides in expanding childcare, which has supported an increase in mothers' employment following maternity leave. A significant proportion of pre-school children are now in formal childcare although most of this is part-time.

But shortfalls in supply, affordability, quality and flexibility remain: the UK has one of the highest costs for childcare in Europe, outof-school services are limited leading to a high unmet demand and the qualification levels of the childcare workforce are generally low compared to many other EU member states. Thus, women often leave the labour market or reduce their employment hours after having children because childcare facilities are unavailable, too expensive or inadequate.



#### Introduction

Childcare expansion is an important objective in European Union (EU) employment and gender equality policy. The *Lisbon Strategy* in 2000<sup>1</sup> led to the so-called Barcelona targets in 2002, which were put in place to improve the provision of childcare across EU Member States, and remove barriers to female labour market participation. They stipulated all member states were to **provide childcare to at least 33% of children under the age of three, and at least 90% of children between three years old and the mandatory school age by 2010** (European Commission, 2013).

Since then, the Barcelona targets have been reinforced by *Europe* 2020 – the EU's ten-year growth strategy for 2010-20. One of the key targets is to raise Europe's employment rate to 75% by creating more and better jobs, particularly for women, given their employment rate is lower than men's (62.4% compared to 74.6% for men aged 20-64 in 2012). Access to childcare facilities, flexible working and a suitable system of family leave are essential for supporting this target (European Commission, 2013; 2013b).

The European Pact for Gender Equality (2011-2020) gives further support for the Barcelona Targets by encouraging Member States to promote a better work-life balance for women and men by improving the supply of affordable and high-quality childcare services and promoting flexible working arrangements. The European Social Fund<sup>2</sup> provides financial assistance to increase investment in childcare initiatives across the Member States and European directives have been issued on equal pay, maternity and parental leave, and equal treatment of men and women at the workplace.

# Has the UK met the Barcelona targets?

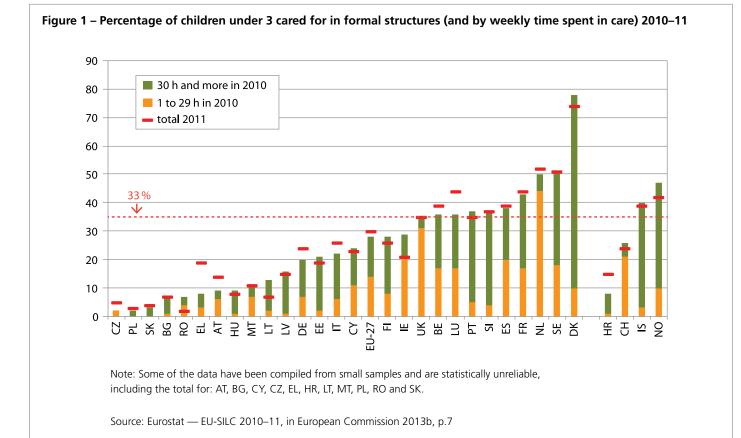
Following the Labour Government's launch of the 1998 National Childcare Strategy, the UK has made important strides in expanding childcare, which has supported an increase in mothers' employment following maternity leave (Fagan and Norman, 2012).

According to the latest EU-SILC data<sup>3</sup> for 2011, **the UK was one out of ten countries to have reached the Barcelona targets for children aged 0-3 years old** along with Denmark, Sweden, the Netherlands, France, Spain, Portugal, Slovenia, Belgium and Luxembourg. In the UK, 35% of children aged 0-3 were in formal childcare in 2011, although most (30%) of children were in part-time childcare.

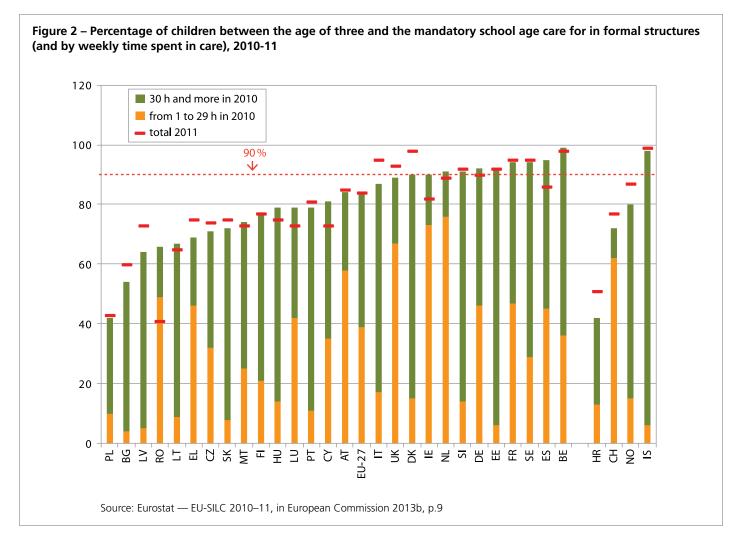
Figure 1 show that out of 31 European countries, the UK is second only to the Netherlands with the highest proportion of children in part-time care.

The UK was also one of nine countries to have reached the Barcelona targets for children aged from three to mandatory school age along with Belgium, Sweden, France, Estonia, Germany, Slovenia, Denmark and Italy. In the UK, 93% of children aged 3 to the mandatory school age are in formal childcare although again most (66%) are in part-time provision.

Figure 2 (page 3) shows the proportion of children aged three to mandatory school age cared for in a formal structure for the EU-27 + Switzerland, Iceland, Norway and Croatia.







As there is no European-level policy that directly targets children of mandatory school age, the availability, affordability and quality of out-of-school services varies between countries. In the UK, out-of-school services are limited and expensive leading to a high unmet demand. This is in contrast to other countries such as Denmark, Sweden and Norway where the supply of out-ofschool services is regulated and so supply and demand is more or less met. In most other EU countries, out-of-school services are subsidised in some way, such as in Greece where services are inexpensive because they are offered as part of the (public) educational system (Plantenga and Remery, 2013).

### Key issues

Cost and lack of availability are the main barriers preventing parents from using childcare services. According to the 2012 European Quality of life Survey<sup>4</sup>, cost is the main problem for 59% of people on average in Europe, followed by availability (58%), accessibility (childcare services located too far) and opening hours (41%) and the quality of childcare services (27%) (European Commission, 2013). In the UK, 73% of mothers do not work or work part-time because they consider childcare services too expensive compared, above the average of 53% across the EU-27 (European Commission, 2013). The UK has one of the highest costs for childcare for any country (apart from Switzerland), equivalent of 26.6% of family income (or up to 40.9% of the average wage). The IPPR suggest the UK should aim to reach childcare prices that are around 10 per cent of net family incomes in order to support maternal employment (Thompson and Ben-Galim, 2014).

The **quality** of childcare services remains uneven across the EU. Training levels for early childcare education and care are lower in the UK compared to other countries that are renowned for providing high quality childcare such as Sweden. The ratio of staff to children is also important although this is not enough to guarantee quality provision alone.

Generally, childcare systems that support high levels of maternal employment provide at least 30 hours a week of subsidised childcare. The UK is an outlier among European countries in that the majority of children enrolled in care attend for less than 30 hours a week. In Sweden, average usage within the heavily subsidised system covering children aged up to five is 33 hours; in Norway preschool children aged between one and five spend an average of 35 hours a week in kindergarten, and even slightly younger children spend a substantial number of hours in childcare, averaging at 33 hours (Thompson and Ben-Galim, 2014).



### **Concluding remarks**

Women continue to bear the main responsibility for childcare in the household and so their labour market participation is influenced by the availability, quality and type of childcare. Women often leave the labour market or reduce their hours because childcare facilities are unavailable, too expensive, inaccessible or inadequate. While **the provision of affordable and quality childcare (for pre-school children and pre-teen children in school and outside school hours, as well as for other dependants)** is crucial, it is also important to improve other reconciliation measures that include **flexible work arrangements** and **a system of flexible and well remunerated parental leave**.

Affordable and good quality **out-of-school services** are just as important to help parents find a better match between their working hours and the school hours of their children and hence support their (full-time) labour market participation. However, this has received far less policy attention than childcare services for the youngest age group (Plantenga and Remery, 2013; Fagan and Norman 2011).

Family leave systems should also include strong incentives for fathers to take on more family responsibilities to promote a more gender equitable sharing of care responsibilities for this will also support women's employment and career progression and meet the desire of many men to be more actively involved in caring for their children (see Norman, Elliot and Fagan, 2013; Fagan and Norman, 2013).

# References and further reading:

European Commission (2013): 'Q&A: Report on childcare provision in the Member States and study on the gender pension gap': http://europa.eu/rapid/press-release\_MEMO-13-490\_en.htm

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Thompson, S., Ben-Galim, D. (2014): 'Childmind the Gap: Reforming childcare to support mothers into work', Institute for Public Policy Research: London

<sup>1</sup> The Lisbon Strategy stipulated an overall employment rate of 70% and a female employment rate of 60% by 2010.

<sup>2</sup> In the 2007–13 financing period, approximately €2.6 billion was allocated to actions to promote the employment participation of women in the labour market and a better work-life balance (including measures to improve access to care services for dependants). In addition, approximately €16 million from the European Regional Development Fund was made available to Member States between 2007 and 2013 to finance childcare infrastructure.

<sup>3</sup> The Employment Committee and the EU Survey on Income and Living conditions (EU-SILC) provides harmonised data for every EU country (see http://epp.eurostat. ec.europa.eu/portal/page/portal/microdata/eu\_silc)

<sup>4</sup> This survey included a random sample of all residents aged 18+ from each member state (EU-27). The sample size ranged from 1 000 in the smaller countries to 3 000 in the largest. The total number of interviews was 43 636.