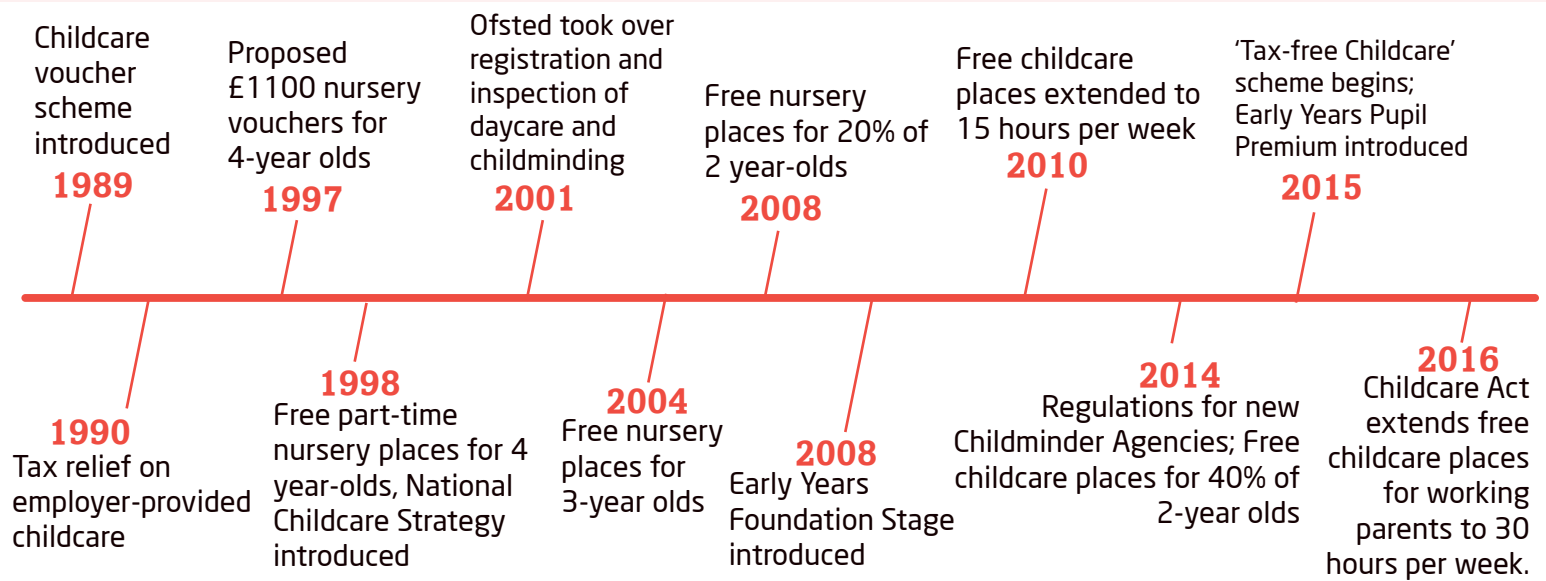


Getting the State out of Pre-School and Childcare: Ending the nannying of UK parents



- Childcare and pre-school policy is a fast-growing area of state intervention. The UK now spends more than £7 billion of taxpayers' money per year on these areas, and heavily regulates the childcare sector.
- Aims of childcare policy include facilitating maternal employment, improving childcare quality, boosting the education prospects of children from disadvantaged families, and making childcare 'more affordable'. Tensions arise between these aims and the effectiveness of policy overall is rarely assessed.
- Evidence from this study suggests that we need a substantial re-think of the government's role and an end to the state nannying of British parents.



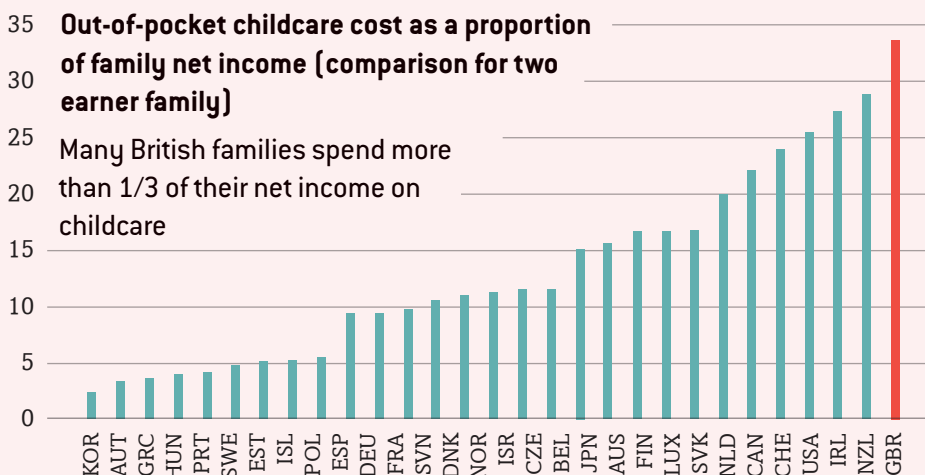
UK Childcare policy fails on...

Aiding Child Development

The benefits of early years education weaken with age and completely disappear by age 11

Improving Parental Employment

If state activism is the cause of mothers entering the labour market then it is a costly and inefficient way of doing it. One study estimates the average cost of each job to be around £65,000



Source: OECD (2016).

Improving Affordability

- The annual cost of a part-time nursery place for a child under two is £6,072, or £117 per week as of 2016.

- This is despite rising subsidies: UK government spending in this area ranks 6th out of 36 OECD countries (2016).

What childcare policy **actually** does:

Increases costs

Stringent Regulation: UK childcare is highly regulated by international standards. The aim is to improve "quality" but in reality costs are driven up with little impact on outcomes.

Early Years Foundation Stage: Childcare providers are required to implement the EYFS. In England, it acts as a compulsory curriculum, covering everything from literacy and mathematics to expressive arts and emotional development. Adherence is strictly monitored and high compliance costs push up prices.

High Staff-Child Ratios

Age Under 1

Ratio 1-3

Higher than Austria, Finland, France, Germany, Greece, Belgium, Luxembourg, Switzerland, Norway, Portugal, Denmark, Spain, Sweden

Age 1

Ratio 1-3

Higher than Austria, Finland, France, Germany, Belgium, Luxembourg, Switzerland, Norway, Portugal, Denmark, Spain, Sweden

Age 2

Ratio 1-4/5

Higher than Austria, France, Belgium, Luxembourg, Norway, Portugal, Denmark, Spain, Sweden

Age 3

Ratio 1-10/15

Higher than Belgium, Norway, Denmark, France, Spain, Sweden

A US study estimates that increasing the ratio by **only one child** across all age groups can reduce prices by up to **20%**

Limits Choice

Parent's preferences vary depending on the age of their child and the amount of childcare they need but regulations force alternatives out of the market and prescribe a formal one-size-fits all childcare service.

Childminders who offer a safe play environment in their own homes, at a relatively low cost, are finding it increasingly hard to comply with costly regulations. Numbers have halved since the 1990s.

Conclusion

Government has been stoking demand for childcare but imposing new costs on suppliers. Attempts at improving "quality" have shown little benefit in terms of outcomes and any increase in parental employment comes at an extremely high cost.

Rolling back state intervention and policy changes to liberalise childcare would allow families to make their own free choices about care of their children, whilst still allowing for limited intervention to support those who need it.

Getting the State Out of Pre-School & Childcare – Ending the nannying of UK parents can be downloaded from www.iea.org.uk

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