

## Childcare Forum - RDS

**16th. February, 2006**

Opening Address by Liz O'Donnell T.D. RDS Industries Hall, Dublin

Welcome to you all this afternoon - particularly our guest speakers, Maresa Duignan and Heidi Loughed.

When my Party began working on a definitive policy paper on childcare in the autumn of 2003, the issue had been well played out in the media, in by-election contests, and indeed in homes right across the country.

Not before time, childcare is very definitely no longer regarded as a "women's issue" but as a major issue of priority for men and women - for the workforce, the economy, and the proper functioning of modern families. It is, of course, also a matter of child welfare. One might wonder, what is the true value of endless conferences? Surely, we all know what the problem is? But as a Party, we have learned one thing and it is that meeting with parents, groups, and experts is a crucial part of policy formulation.

What is clear is that there is no simple, easy fix, one-action solution to this issue. Families are by their nature diverse and policy must accommodate that. The recent Budget reflected that complexity of needs.

People say 'something' has to be done to help parents with the burden of childcare costs, constituting as they do a major weekly outlay on after tax income for thousands of couples and lone parents.

Just what that 'something' should be has become a major conundrum and a bone of contention amongst the various interested parties.

So, when we published our policy proposals, we were putting forward an honest contribution to the national debate on childcare. I hope that today's forum is a further extension to that debate.

How the State, treats its children, its sick, its minorities and its elderly defines that State. The childcare debate cannot take place in a vacuum; it must of necessity take account of, and reflect, our own national character: - the type of people we are - what we hold dear and how we want to live our lives.

What value, for example, do we place on the work of a mother or father who opts to remain in the home and rear their children? Do we recognise that work by way of an extra tax allowance? Or, by way of a direct payment?

At all costs we must avoid any policy, which pitches women at home against women in the workforce - Hence the option to date of the Child Benefit route.

For some women though, either through necessity or choice, remaining in the home is simply not an option and that fact must inform our policy responses.

How then do we cater for these women in the workforce?

Should we establish the kind of childcare system that is available, say in Sweden? A version of which was championed, for example, by the National Women's Council?

One often hears of Scandinavian models as an 'obvious' solution to the challenge in Ireland. There is little mention of the very high rates of personal taxation, around 55%, required to maintain such a system. A taxation system that could mean some women who would otherwise remain in the home are compelled to work outside because the family cannot live on the heavily taxed net income of the sole wage earner. We must be careful not to overly tinker with our low tax economic model, which promotes enterprise, and incentivises work, which has been so central to our ongoing economic success.

Can we recognise the work of the mother in the home while at the same time establishing a Swedish style childcare system or are these two positions mutually exclusive? Must we have one or the other or a watered-down version of both? What of the other calls on the public purse; the health service, education, transport, pensions?

There will always be a need for debate to determine what kind of society we wish to live in. What services the State should provide and what we as citizens are willing to pay either through increases in personal taxation or reductions in other services.

The Progressive Democrats have engaged in public consultation throughout, to form our policy - what are the priorities of families? What measures are sought? What measures will work?

For example, we held a conference with industry experts in September; public meetings with at-home and working parents. We held our very successful workshop "Caring for Children", prior to our Budget deliberations last autumn.

This process informed our key childcare proposals.

Proposals with the clear intention of increasing supply of childcare places.

We firmly believe that if fully implemented, our policies would see a significant increase in the number of childcare places and a consequent decrease in the heavy financial burden faced by parents.

And we have made some progress. Firstly, at our National Conference last spring, we proposed that the Government establish a new childcare programme to cater for primary school-going children.

Last June Michael McDowell launched a pilot project aimed at encouraging communities to establish after-school childcare services in existing school buildings.

There is a sense that the question of after-school care has largely been ignored in the whole debate. So it is to the Minister's credit that he has acted promptly to address this problem.

Second, we proposed that funding for new programmes should not impinge on the vital work done by the Equal Opportunities Childcare Programme. That call has led to funding for the programme being increased and ring-fenced.

No matter what other financial measures are now put in place to help parents with their childcare needs, it will be protected and enhanced into the future.

In the last Budget we secured a €787 million childcare investment programme that will create an extra 50,000 childcare places over ten years. Special training initiatives will be put in place to ensure this process is managed correctly

Third, we called for an examination of how the childminder market operates to see if regulation and fiscal policy acts as a disincentive to people entering this market.

We envisaged some further encouragement to be given to women or men contemplating entering this market by giving them a generous tax allowance. And, we particularly welcome the €10,000 income disregard for childcare providers announced in December's Budget.

Lastly, we looked for direct measures to immediately ease the financial burden on families. The rate of child benefit is to rise to €150 per month for the first child, and €185 per month for subsequent children, is one such measure. The Government is also to introduce a phased increase in paid maternity leave from 18 to 26 weeks. And we now have the new Early Childcare Supplement of €250 per quarter in respect of all children under the age of 6. Direct payments to the mother by way of child benefit; has proven to be effective as child support and is administratively easy.

All family configurations and choices were considered.

We support increasing childcare supply and choice for families, in conjunction with steps to alleviate the financial burdens on them.

As a Party, in Government we are seeking practical solutions to everyday problems. Our objective is to bring together the complex areas of childhood education, child poverty and childcare, and come up with a comprehensive policy solutions.

Micromanaging families is not our business. Facilitating family choice is.

Our objectives are clear- valuing children to the utmost - providing holistic support - reducing poverty and increasing access and providing the resources, to provide the necessary infrastructure for developing and creating services.

Our changing society and rapidly developing economy has changed the environment for early childhood learning. The number of women working outside the home has risen from 483,000 in 1995 to 771,000, an increase of 60%.

As legislators we need groups like the National Economic and Social Forum, the National Children's Office, the Centre for Early Childhood Development and many other actors to help us to navigate policy in this area.

But of course, parents, families and teachers inform policy formulation.

I recognise that at less than 0.2% of GDP, our investment in early childhood education needs to be looked at again.

I welcome that DIT and St. Patrick's College, Drumcondra jointly established the *Centre for Early Childhood Development and Education* in 2001.

One of our guest speakers, Maresa Duignan is the Assistant Director of the Centre, and I look forward to her thoughts on quality childcare.

As a centre of excellence, Maresa's institute works to develop a quality framework for early childhood education, and to develop targeted interventions for children who are educationally disadvantaged and children with special needs.

I heard our second guest speaker at our "Caring for Children" Conference last September. Heidi Loughheed is a Social Policy Executive with IBEC, and is therefore well placed to bring a perspective drawn on analysis of childcare as an issue of the economy and of the workforce.

I want to express my gratitude to both Heidi and Maresa for their participation this evening and invite \_\_\_\_\_ to now address you.