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Executive summary

In the Spring Budget 2023¹ the government announced a significant expansion of the early education and childcare (EEC) state-funded hours offer to younger children from working families. However, the funding provided is unlikely to be sufficient to establish a stable foundation for EEC providers, improve pay and conditions in the sector, and drive up the quality of care.

In this briefing, we explore progressive EEC solutions in Canada, Denmark, France, New Zealand and Portugal offering inspiration to address the UK's challenges. Ultimately, the hope is for the UK to learn from these international examples to create a comprehensive, high-quality, and equitable early years education and childcare system. Prioritising investment, fair wages, quality control, and targeted support will contribute to positive child development outcomes and economic returns, fostering a more inclusive and progressive society.

Key lessons for the UK

- **Childcare as Integral to Education:** Recognise the role of the early years' experience in a child's educational journey; it goes beyond care.
- **Universal Availability:** Ensure universal access to childcare and early education for all children, especially those from disadvantaged backgrounds, who will benefit the most.
- **Social Infrastructure Impact:** View early education and childcare as part of a country's social infrastructure, yielding benefits beyond its immediate users.
- **Positive Societal Outcomes:** Investment in EEC leads to improved lifelong opportunities for children, women's labour force participation, and poverty reduction.
- **Effective Supply-Side Models:** Adopt a supply-side funding model for stable grants covering actual costs with quality conditions, ensuring care quality, decent pay for the workforce, and service availability.
- **Income-Dependent Fees:** Income-dependent or capped parent fees are ways to maintain affordability and accessibility for low-income families.
- **Valued Workforce for Care and Education Quality:** High-quality EEC is inextricably linked to qualified and skilled staff who deserve decent pay, good working conditions and career progression opportunities. Funding should be adequate to ensure this.
- **Foundation for Inclusion:** Implement state responsibility through adequate and long-term sustained funding to create an inclusive and high-quality early education and childcare system.

1 UK government (Mar 2023) [Spring Budget 2023](#)

Introduction

The Spring Budget 2023 brought positive news for working families in the UK with a significant expansion of early education and childcare (EEC) state-funded hours. The expansion is set to cover 30 hours of free childcare in term-time, for children from 9 months to 2-year-olds whose parents meet the working eligibility criteria. This is in addition to the current universal 15 free hours and additional 15 free hours for 3-4-year-olds with working parents.

This is welcome recognition that children's early years are something worth investing in and that the current system is inadequate. However, the funding provided is unlikely to be sufficient to establish a stable foundation for EEC providers, improve pay and conditions in the sector, and drive-up quality of care.² Despite the additional £240 million promised for 2023/24, we estimated there will be a shortfall of £1.8 billion compared to the actual delivery costs.³ With a planned increased share of EEC provision costs covered by the government, it is now even more important that the funding for the entitlement hours covers the true costs of delivering those hours. If it does not, providers will face a higher shortfall and hiking up parents' fees will prove more difficult.

Unaffordability and unavailability of EEC are significant concerns for many families. The cost of childcare and early education can be prohibitively high, often surpassing other large household expenses, such as rent or mortgage payments. Despite government support initiatives, such as tax-free childcare and support through Universal Credit, the unaffordability issue persists, particularly for low-income families. Additionally, finding a place is often hard, particularly for children with special needs or children whose parents work atypical hours.⁴ The unaffordability and unavailability of EEC has significant economic costs, limiting workforce participation, and contributing to socioeconomic inequalities like the gender pay gap and educational attainment gaps between disadvantaged children and their wealthier peers.

The UK invests very little in our EEC system compared to its peers: 0.5% of GDP, below the OECD average of 0.8%.⁵ Investment is particularly low for younger ages (under twos), at less than 0.1% of GDP (against OECD average of 0.3%).

2 Women's Budget Group. (2023) [Women's Budget Group response to the childcare measures](#)

3 Women's Budget Group (16 Mar 2023) [WBG finds government funding for early education and childcare falls short by £5.2bn](#)

4 Women's Budget Group (2023) [Gender and Childcare and Early Years Education](#)

5 OECD (Feb 2023) [Public spending on childhood education and care](#). Chart PF3.1.A

Addressing the inadequacy and underfunding of the current EEC system remains a pressing economic, social and inequality issue for the UK, requiring comprehensive solutions and policy measures.

In this briefing, we take a look at five countries that have established progressive solutions in organising and funding the early years sector: Canada, Denmark, France, New Zealand, and Portugal. They provide inspiration for how to tackle the UK's main issues of unaffordability, unavailability, underfunding and quality.

By examining different models for early education and childcare across the five chosen countries, we can gain valuable insights into effective strategies for addressing the challenges faced by the UK's early years sector. Each country has its unique approach, whether it is Portugal's rollout of universal free access to childcare, France's income-based subsidised childcare fees, New Zealand's focus on accessibility and quality, Canada's rollout of a regional model of affordability, or Denmark's comprehensive public investment in early years. We are bringing together these examples to help inform the debate about how the UK can develop an early year's education and childcare system that works for children, families and the economy.

Canada

Towards a nationwide and affordable childcare system



Canada has made significant investments in its EEC system recently, particularly since April 2021 when the federal government announced plans for a \$30 billion (CAD) 5-year national childcare programme. This will increase national investment in EEC sevenfold, from C\$1.3bn in 2020/21 to C\$9.2bn in 2025/26.⁶

This investment comes after a recognition from the federal government of early education and childcare as social infrastructure, as essential to the economy as roads, and bridges, and with crucial positive impacts on children's lifelong chances and women's labour market participation.⁷ The Canadian government also recognised the very high childcare costs families in the country were facing.

The Canadian province of Quebec has been leading the way in EEC reform in Canada. There, most EEC providers are funded by the provincial government in accordance with a formula based on both the number of available and occupied childcare spaces in a setting. Parents pay a flat fee for early education and childcare which, since 2020, does not depend on employment status or income and amounted to C\$8.50 (£4.90)⁸ per day in 2021. This makes education and care highly affordable from birth until five years of age.

The Quebec approach, implemented in the late 1990s, has had important socioeconomic benefits: it has boosted women's labour market participation and reduced poverty rates among single mothers compared to the rest of Canada.⁹

The planned nationwide affordable EEC system is inspired by Quebec's successful subsidised model. The goal is to ensure that parents' early education and childcare expenses do not exceed an average of C\$10 (£5.85) per day by 2026.¹⁰ To implement this plan, the Canadian government announced agreements with provincial governments in April 2021. As EEC falls under provincial jurisdiction, these deals were necessary to create a country-wide system.

Canada's nation-wide EEC plans stand out due to the distinctive 50-50 cost-sharing arrangement between the federal and provincial governments, as outlined in the five-year

6 Government of Canada (May 2021) [Budget 2021: A Canada-wide Early Learning and Child Care Plan](#)

7 Ibid.





8 Cleveland, G., Mathieu, S., & Japel, C. (18 Feb 2021) [What is "the Quebec model" of early learning and child care?](#)

9 Equal Times (16 Nov 2022). [In Canada, a historic move towards a nationwide childcare system draws praise, and criticism](#)

10 Ibid.

agreements.¹¹ This unique approach expedites the provision of affordable EEC by enabling provinces to swiftly allocate local funds towards childcare subsidies in response to unforeseen or rapid changes in early education and childcare demands. The provincial governments can then seek reimbursement from the federal government at a later stage, ensuring a flexible and responsive EEC system.

Remaining challenges & lessons for the UK

-  The initial Quebec model of low-cost universal EEC faced challenges due to limited capacity and subsequent expansions in family and for-profit childcare. This mismatch between supply and demand led to lower-quality care and education, particularly for lower-income families, and long waiting lists for high-quality services.
-  ***Any state plans to expand access must be developed with the sector with a reasonable timeline, to allow providers to expand and new ones to set up sustainably.***
-  Canada's early education and childcare workforce is predominantly staffed by women and racialised workers and it has long been chronically underpaid and under-supported¹². Any early education and childcare plan must prioritise decent work as its foundation.
-  ***Neglecting to address workforce challenges and persistent staffing shortages in the EEC sector will result in a lack of qualified staff to meet the demands of newly established childcare spaces and subsequent lower quality care and education.***

11 Government of Canada (2021) [Budget 2021](#)

12 Equal Times (16 Nov 2022) [In Canada, a historic move towards a nationwide childcare system draws praise, and criticism](#)

Denmark

Supply-side funding model



Every child in Denmark has a guaranteed legal right to a place in an EEC setting. According to the Day Care Act, municipalities are obliged to ensure EEC provisions for all children between the age of 26 weeks and the start of primary school. The origin of the day-care facility system in Denmark can be traced back 170 years ago to the 1820s, a time marked by notable urbanisation and industrialisation¹³.

In Denmark, the government provides significant funding to support the supply of EEC services, amounting to 1.2% of the country's GDP. Investment is particularly high for younger ages, one of the highest GDP proportions in the world (0.8%) for children under three.¹⁴ The government directly funds and supports EEC providers, such as daycare centres and preschools, to ensure that there is an adequate supply of spaces available to meet the needs of families. This approach allows the government to influence the availability, accessibility, and quality of early education and childcare services by setting and enforcing standards, regulations, and quality criteria that providers must meet in order to receive funding. Providers are accountable for meeting these standards, ensuring that children receive high-quality care and early education.

Nurseries, kindergartens, and other pre-primary institutions are administered by the Ministry of Children and Education and are financed primarily through subsidies by the local authorities which in turn receive block grants allocated by the central state. The subsidy from local authorities comprises of at least 75% of the gross operational expenses of providers (excluding rent and maintenance). The rest is covered by the parents who each month pay a fixed amount, which cannot exceed 25% of the above-mentioned expenses. The government funding is typically tied to compliance with quality standards and regulations set by the authorities. EEC providers must meet specific requirements related to staff qualifications, child-staff ratios, health and safety protocols, educational programming, and more. Danish early years professionals (pedagogues) are highly qualified, typically three and a half years of training to bachelor degree level.¹⁵ The funding model thus incentivises providers to maintain high-quality standards, ensuring the well-being and development of children.

Municipal grants to EEC providers are based on the latter's budgets. Local authorities decide whether these grants and parents' payments should be individualised based on each

13 OECD (2000) *Early Childhood Education and Care Policy in Denmark*. The Ministry of Social Affairs.

14 OECD (Feb 2023) [Public spending on childhood education and care](#). Chart PF3.1.A

15 Nursery World (Aug 2018) [Work abroad](#)

institution's budget or standardised as average tariffs across all institutions of the same type in the municipality. This means that funding from the state covers the actual costs of providing the early education and childcare services, in a truly supply-side funding model.¹⁶

If a municipality is not able to provide the guaranteed EEC provision, it has to either cover the parents' expenses for private EEC, cover the expenses for an EEC setting in another municipality or provide parents with a subsidy so that they can care for the child themselves.

The Day Care Act also states that EEC is compulsory for certain groups of children. This includes children from the age of one living in marginalised residential areas.

Alongside a system that prioritises inclusive and equitable access, offering financial support to make quality care accessible to all and comprehensive funding, Denmark is also uniquely known for its focus on children's holistic development. Professionals in the field are highly trained and skilled, employing a range of pedagogical techniques to foster children's autonomy, creativity, and critical thinking. Danish social pedagogy recognises the importance of a supportive environment, where children feel respected, valued, and empowered.

Remaining challenges & lessons for the UK



While public investment in the Danish childcare model has been a key component of its success, the model requires substantial and ongoing public funding to provide truly affordable, universal and high-quality childcare services. Maintaining consistent and adequate funding levels can be challenging, especially when economic conditions change or political priorities shift. Despite this, the data shows that Denmark has invested in high-quality early education and childcare for decades while maintaining remarkable stability in expenditure. According to Eurostat, childcare expenditure was 1.3% of GDP in 1990, increasing to 1.7% in 2010 and decreasing to 1.2% in 2019¹⁷ - consistently above the OECD average of 0.8%. This demonstrates that the investment in early childhood education and care has been manageable and sustainable over the years.



A supply-side funding model, whereby the state covers operational costs of providers directly, combined with standards around staff qualifications, educational programmes, child-staff ratios and limits on chargeable fees to parents, is an effective way to ensure quality, affordability and adequate levels of funding. It requires a sustained commitment by the state to fund this essential infrastructure consistently for the long term.

¹⁶ Supply-side funding and demand-side funding are two approaches to financing childcare policies. Supply-side funding involves providing financial support directly to childcare providers, helping them cover operational costs and maintain quality standards. This approach ensures an adequate supply of childcare services and promotes quality control. In contrast, demand-side funding provides financial support to families or parents, allowing them to choose childcare services that meet their needs. This approach offers more flexibility and parental choice but may result in a fragmented market.

¹⁷ Larsen, Trine P, and Caroline de la Porte (2022) Early Childhood Education and Care in Denmark: A Social Investment Success. Successful Public Policy in the Nordic Countries: Cases, Lessons, Challenges: Oxford.

France

Universal income-based subsidies



France has a well-developed and comprehensive EEC system. It is one of the countries in the world investing more in early education and childcare, at 1.3% of GDP, well above the OECD average of 0.8% and the UK's 0.5%.¹⁸ The country offers a combination of public and private childcare options, including subsidised preschools and daycares. France also provides a generous parental leave policy and has a strong focus on early childhood education.

Childcare arrangements for infants (less than 2-3 years of age) are regulated by the Ministry of Solidarity and Health. Various forms of care for infants are offered. Childminders provide most of the childcare for this age group, but nurseries or “établissement d'accueil du jeune enfant” (EAJE) are also available. France's subsidised early-years childcare model, known as the “La Prestation d'Accueil du Jeune Enfant” (PAJE), is designed to make early-years childcare more affordable for families. The PAJE provides a universal progressive subsidy to all families with children under the age of three. This subsidy is income based and its amount varies depending on the family's income level. It aims to reduce the financial burden on families and make early-years childcare more accessible to all.

The fees are subsidised by the government, with families on lower incomes receiving higher subsidies. In some cases, families may be eligible for free childcare. As a result of this income-based support, childcare costs for the average family are much lower than in the UK. The so-called collective childcare structures are created and managed, in the majority of cases, by local authorities or by non-profit associations. The cost of childcare in these providers is determined based on a sliding scale, taking into account the family's income, the number of children in the family, and the region.

Furthermore, France offers tax credits for childcare and state-funded crèche places to all children from two months old, as well as a flexible budget to put towards a nanny, childminder or nursery depending on preferences. Families who employ a registered childminder or a nanny at home for their child under six years old are eligible for childcare tax credits. This tax credit allows parents to deduct a portion of their childcare expenses from their taxable income. The amount of the tax credit depends on the number of children and the family's income, subject to certain limits.

From the age of three, families are required to send their children to pre-primary school, except in the case of home schooling and public pre-primary schools are free.

Remaining challenges & lessons for the UK



France's childcare system is characterised by its decentralisation, which means that the responsibilities and administration of childcare services are divided between the central government and local government authorities. This model prompts considerations about balancing local autonomy with nationwide equity in childcare provision. The decentralised nature of the childcare system can lead to disparities in services and support between different regions. The availability and quality of childcare options may vary significantly depending on the resources and priorities of individual local governments.¹⁹ This intricate interplay reflects the complexity of administering a childcare system that both empowers local innovation and strives for a cohesive national approach.



While the role of local government is important to shape the EEC sector according to the local context and needs, France's varying levels of regional support and quality speak to the importance of establishing national minimum standards.

19 Flemons, L., Blondes, E. L., Grand-Clément, S., Richardson, T., & Jordan, V. (2022). Holistic early education and care: Policy and practice in France 2017-2021 . Porticus: RAND Europe

New Zealand

Quality-based state funding



In a bid to improve quality, value for money, and access to early education and childcare, the New Zealand government introduced free entitlement of 20 hours a week to all 3- to 5-year-olds. The 20-hours entitlement is available all year round and for all children in this age group who are not yet at primary school, regardless of parents' income, residential status, or any other criteria. Participation in the scheme is open to all licensed EEC providers, however, it is at the discretion of individual providers to decide whether or not to opt into the scheme²⁰ – meaning there may still be limited availability of funded places.



Working parents have the opportunity to avail themselves of up to 50 hours a week of subsidised EEC. The entitlement to this subsidy follows a progressive scale, with the specific amount parents pay for the additional 30 hours (on top of the universal free 20 hours) varying depending on the household's income. The specific subsidy amount is determined by the Ministry of Social Development (MSD). Families can use the MSD's online calculator or contact the department directly to determine the estimated subsidy they may be eligible for. The calculator considers income, hours of care, and other relevant factors to provide an estimated subsidy amount. This subsidy is directly paid to the EEC provider, eliminating the need for parents to wait for reimbursement.

An interesting feature of state funding for EEC in New Zealand is the conditionality based on the quality of care and education. Allocation of public funding to providers varies according to "quality funding bands"²¹ which are based on the proportion of qualified teachers among the staff. Funding rates also vary based on the age of children, with higher funding provided for children under two. However, different quality bands apply to both age groups, as it is widely recognised that having trained teachers in early childhood provision is beneficial for children of all ages. The aim of this approach is to encourage EEC settings to go beyond their minimum requirement of 50% of staff having qualified teacher status. By using such a model, the New Zealand government are able to influence the quality of care and achieve better value for money, targeting their funding in a way that supports better quality of care and education.

20 Fawcett Society (2022) [Childcare and early education systems: A comparative literature review of liberal welfare states](#). p.58.

21 Stewart, K., & Gambaro, L. (2014). [World Class: What does international evidence tell us about improving quality, access and affordability in the English childcare market?](#) Resolution Foundation

Remaining challenges & lessons for the UK

-  In a bid to improve quality, New Zealand introduced initial staff targets to have 100% registered teachers in the sector. These had to be reduced to 80%, as a boom in the EEC market and a required rapid expansion of the workforce made this impossible to achieve. The timeframe for implementation, including the time needed for educators to obtain the necessary qualifications, was a challenge.
-  ***Initiatives to improve care quality through increasing staff qualifications take time. Achieving a better skilled workforce requires time for educators to upskill or gain qualifications. Careful planning and coordination with providers is necessary.***
-  New Zealand's EEC sector operates within a market-driven system, where providers largely set their own fees. This lack of government control over pricing can lead to higher costs for families, especially in areas with limited competition among providers. The market-driven approach can result in a wide range of fees across different regions and providers, and affordability in New Zealand is still a challenge (the country still tops the OECD ranking of least affordable EEC systems despite the changes²²).
-  ***Even within a system of funding conditionality, there are limits to what governments can do within a market system when it comes to keeping EEC affordable for parents.***
-  Accessibility and availability of early education and childcare services can vary across regions, especially in rural and remote areas. Limited options and long waiting lists for EEC can make it difficult for parents to secure a place for their child. This lack of access can impact families' ability to participate in the workforce or access other support services.
-  ***Introducing or expanding funded EEC hours requires careful planning to ensure supply increases to match the new demand, so that every eligible child can access a (high-quality) place.***

Portugal

Universal free access rollout



Free early education and childcare in Portugal was previously available only to low-income citizens but has now been extended to all children, although prioritisation criteria based on income and other family circumstances applies. This measure was introduced as part of a set of policies aimed at reducing poverty and increasing the birth rate in Portugal,²³ which is one of the lowest in the world.

The early years sector in Portugal focuses on providing care, education, and development opportunities for children from birth to six years of age. It is split into two phases: pre-primary education for children over three years old, which is considered the first stage of a child's educational journey and the responsibility of the Ministry for Education, and early education and childcare for children under the age of three, which is administered by the Ministry for Labour, Solidarity and Social Security (MLSSS) and delivered mostly by private providers.


A distinction is made between non-profit providers ('Private Social Solidarity Institutions', charities and mutual associations) and private for-profit providers in how much public funding is allocated. The state provides non-profit institutions with financial support, paying the cost of the educational component and pedagogical quality, also contributing to family support and socio-educational activities. In the case of for-profit providers, funding is based on the monthly fees paid by families, who may receive financial help, depending on family support contracts and their income.²⁴


The current Portuguese government has started to roll out free universal early education and childcare through a staged expansion. From September 2022 places in EEC providers with agreements with the state (typically non-profits) are free for all children born after September 2021. From January 2023 the free EEC measure was extended to include children born after September 2021 in for-profit settings in localities with no available places in the non-profit sector. This is a significant expansion of early education and childcare that will effectively cover all children by 2025 and be free at the point of use – a universal free EEC system.


23 Diário da Republica (2023) [Ordinance No 305/2022, 22 December](#)


24 European Commission (2023) [Eurydice – Portugal: Early childhood education and school education funding](#)

Remaining challenges & lessons for the UK

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The government aims to achieve full coverage of free universal EEC by 2024, extending the measure to include all children up to three years old, irrespective of their family income. The pace of this rollout is an ambitious one, which will require careful planning, coordination, and preparation. With limited time, there may be insufficient opportunities for providers to expand and employ enough staff to meet the demand for additional spaces. New providers will also need to be set up in a very tight timeframe. Based on experiences from other countries this could lead to a crisis of unavailability, at least in the short term, and possibly of lower quality of care too. In 2021, before the universal free access rollout began, there was already a shortage of places, particularly in the main urban areas of Lisbon and Porto.²⁵
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Any expansion in state-funded early education and childcare is likely to result in additional demand from parents. To avoid a slippage in quality standards and/or shortage of EEC places, any expansion of EEC needs to be planned very closely with the sector and providers given enough time and conditions to create new places and recruit and train more staff to respond to the additional demand.
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The Portuguese funding model is based on the state providing a subsidy per child to providers, which was 460 EUR per child per month in 2022/23, with no additional costs to parents.²⁶ Although this subsidy is paid to providers, it is a fixed amount per child, effectively a demand-side funding model, that may not cover the true costs of providing education and childcare and leave providers struggling financially. Quality of care may be compromised as a consequence.
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State funding should be based on actual operational costs for providers, ideally combined with minimum standards on child-staff ratios, pay, and staff qualifications to ensure neither financial sustainability of EEC providers nor quality of care are compromised.

²⁵ European Commission (2023) [Eurydice – Portugal: Early childhood education and care](#)

²⁶ Diário da Republica (2023) [Ordinance No 305/2022, 22 December](#)

Lessons from the 5 selected EEC models

This section summarises some of the lessons from the analyses of the five countries in this briefing that could inspire UK policymakers when tackling problems of underfunding, availability, affordability and access in our current EEC system. These case studies and the derived lessons should not be taken as directives to be implemented wholesale in the UK, as the UK context and the current EEC system need to be taken into account. The optimal approach to ensure all children have access to affordable or free high-quality care will vary based on a country's policy framework, the interplay between public and private services, income inequalities, family situations, and the broader economic and fiscal context.

Canada's approach, based on Quebec's experience, **emphasises the long-term benefits** of investing in early education and childcare, **leading to improved child development outcomes and increased parental employment**. The UK can learn from this evidence and consider **the potential return on investment of investing in early education and childcare**. However, the challenge of balancing affordability for parents and maintaining or improving quality of care must be addressed. **Prioritising fair wages and conditions for EEC workers**, alongside opportunities for career development will be more expensive, but it is the only way **to ensure a skilled and motivated workforce, leading to better quality care**.

Denmark's supply-side funding model, incorporating quality control measures and meeting actual costs, **ensures that EEC providers adhere to specific criteria** related to staff qualifications, child-staff ratios, health and safety protocols, and educational programming **without compromising their financial sustainability**. The UK can enhance the availability, accessibility, and quality of early-years childcare services by drawing from Denmark's model. **Prioritising stable and true-cost funding, quality control, and workforce development** through a model delivered by local authorities will ensure an early education and childcare system that meets the needs of families while supporting providers to deliver high-quality but affordable services.

France's approach to universal but income-based subsidies ensures that all families with children under a certain age have access to financial support for childcare, while **targeting additional support to low-income families**. The UK can learn from this approach and strive for universal coverage to ensure all families have access to affordable early education and childcare while providing additional assistance to disadvantaged children, **promoting a more equitable and inclusive childcare system**.

New Zealand's funding model emphasises quality by making funding conditional on staff qualifications. The UK can benefit from adopting a similar approach by setting clear and robust qualification standards that all EEC providers must meet to receive government funding (that should fully cover these higher staff costs). Ensuring high-quality care and education for all children, regardless of the setting they attend, is crucial in supporting their development.

Portugal recognises the significance of early childhood education as the foundation for a child's educational journey. Moreover, **Portugal links investment in universal free EEC to addressing poverty, recognising the wider economic benefits** derived from providing all children with access to care and education in their early years. This has underpinned the **rollout of free universal EEC** currently being undertaken in the country. The UK can draw valuable lessons from this approach, understanding that **quality early education not only benefits children but can also contribute to economic growth**. Recognising the vital role of parents, especially mothers, in the economy when provided with access to quality care and education for their children is crucial. Challenges persist in the Portuguese model, not least in guaranteeing places are available to all eligible children and in guaranteeing sufficient levels of funding to providers.

Reflections

Recognising childcare as an integral part of a child's educational journey, rather than solely a care service, is essential. As the first stage of education, it should be universally available for all children. Childcare and early education is not only a parental responsibility but also a vital component of a country's social infrastructure, producing benefits beyond its immediate users. The investment in EEC produces significant positive impacts on women's labour market participation and poverty reduction, as exemplified in Quebec, and for children's lifelong chances. To ensure consistent and high-quality provision, the state should take responsibility for this investment. Supply-side models, where providers receive stable grants covering their actual costs with quality conditions attached, prove to be the most effective approach to preserve quality of care, pay and conditions for the sector's workforce, and availability of services. Additionally, parent fees can be income-dependent or capped at an affordable rate, ensuring accessibility for all families. By recognising the educational significance of the early years and the importance of the sector for the wider economy, as social infrastructure, and implementing state responsibility through supply-side funding models, countries can create a foundation for inclusive and high-quality early childhood education and care systems.

