

The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
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Dear Chancellor,

We recognise that the action you have taken to protect jobs during the Covid crisis has been unprecedented with an investment of up to £54billion in the Job Retention Scheme. The crisis has struck against a backdrop of maternal employment which had risen from 66% to 75% over the last 20 years, bringing more of women's skills and experience into our workforce.

To safeguard this investment for working parents, and protect women's contribution to the economy, attention must now turn to the childcare sector. The risk we face is that as businesses start to recover and the economy begins to open up, the childcare sector will have been so significantly harmed by this crisis that there will be insufficient affordable, quality provision to enable parents to get back to work and support that recovery. We therefore urge you to act and provide urgent additional financial support to the sector.

Evidence shows that childcare providers are facing significant challenges due to a sharp fall in income from parents and limits on their capacity because of social distancing. The Early Years Alliance reports that in April 25% of their pre-school, nursery or childminder members felt it was unlikely they would be operating in a year's time. 69% expect to operate at a loss over the next six months.

For those of us who represent businesses, it is clear from our members that, in the absence of sufficient childcare, many employers will face the invidious choice between supporting parents who work for them, and the viability of their businesses. They want to get their staff back to a diverse and inclusive workplace, but this will not be possible without access to high quality childcare and without a plan for the reopening of schools for all children.



Evidence shows that women are still taking on a disproportionate share of unpaid care in the home. They will be most at risk of losing their jobs and the opportunity to advance in their careers. Our collective efforts to increase rates of maternal employment could be in vain if a lack of access to childcare presents a barrier to the workplace. Businesses would lose access to vital skills, damaging productivity, performance, and longer-term recovery.

We are grateful to you for what you have already done to support businesses, but this additional assistance for childcare is fundamental to ensuring that existing support will have been worthwhile.

Yours sincerely,



Sam Smethers, Chief Executive, Fawcett Society

Adam Marshall, Director General, British Chambers of Commerce

Ann Francke OBE, Chief Executive, Chartered Management Institute

Jonathan Geldart, Director General, Institute of Directors

Mike Cherry, National Chair, Federation of Small Businesses

Rt Hon Caroline Nokes MP, Chair of the Women and Equalities Committee

Sir Bernard Jenkin MP, Chair of the Liaison Committee

Rt. Hon Robert Halfon MP, Chair of the Education Committee

Tim Loughton MP, former Children's Minister

