

Declining birth rate highlights impact of government cuts and corporate profiteering on UK families

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One of the most poignant expressions of the social crisis caused by capitalism is the “fertility gap” between the number of children people would like to have and the number actually born.

A recent United Nations survey, The Real Fertility Crisis, identified hundreds of millions of people globally not able to have the number of children they want. The most commonly cited reason was “Financial limitations” at 39 percent of respondents, followed by “Unemployment/job insecurity” at 21 percent, and “Housing limitations” at 19 percent.

Fertility in England and Wales is now 1.44 children per woman, the lowest rate since records began in 1938. This is far from being entirely down to choice. The UK’s fertility gap has been estimated at 0.3, meaning that for every three children wanted two are born. It’s not hard to understand why.

In March, the *Times* used the minimum income standard defined by Loughborough University’s Centre for Research in Social Policy to calculate that a couple would need to make £88,000 a year to maintain this standard while paying a mortgage and raising two preschool aged children in England.

Using the Institute for Fiscal Studies “Where do you fit in?” tool, entering average council tax and mortgage repayment rates, this would put the family in the top 17 percent of households by income.

Families in crisis

Having children today is so costly and stressful

because society is run to produce grotesque profits for a few, not fulfilling lives for all. The most significant factors impacting working-class families are poor state support—maternity/paternity leave is worth less than half the National Living Wage of £12.21 an hour—and the spiralling cost and lack of availability of childcare.

Government spending on family and early childhood benefits fell from over 3 percent of GDP in 2010 to under 2 percent in 2022—a real terms decline of more than a third. Funding for childcare has fallen consistently behind rising costs for providers, whose numbers have plunged by a third in a decade.

Nearly half of children under five now live in “childcare deserts” where there are more than three children for every early year’s place—with the poorest areas worst affected. Working-class, and many middle-class families are left heavily dependent on scarce providers—a captive market that private profiteers have gleefully exploited.

Average childcare costs in the UK are now over £14,000 a year for full-time care, having risen a staggering 60 percent in cash terms between 2010 and 2021—more than double the average increase in prices generally and in wages.

Profits are a sky-high 22 percent of turnover in private-equity backed providers, and 11 percent in other private providers. The largest 43 companies hauled in over £1 billion in profits between them in 2022, up 83 percent on 2017.

In 2023, over a third of parents were forced to rely on some form of debt to meet their childcare costs. Half of parents with children under five spend more than a quarter of their income on childcare.

The “motherhood penalty” makes the working class poorer

Childcare is so difficult to access that many parents are forced out of work to look after their children, taking significant long-term wage cuts to do so. Capitalism effectively forces the working class to take on the costs of raising the next generation of employees.

It is predominantly women who drop out of the labour force, fully or partially, meaning the income lost to the working class takes the form of a “motherhood penalty”—the overwhelming cause of the gender pay gap. Charity group Pregnant then Screwed reports that over a third of mothers in England do not return to full-time work due to childcare pressures, versus 12 percent of fathers.

A lack of part-time or flexible work in any but the lowest-paid industries—plus employer excuses about “career breaks” and the like—create a median hourly wage gap of 24 percent for mothers versus fathers. This adds up to roughly £40 billion of lost income for working families every year.

the estimated £134 billion’s worth of unpaid childcare carried out every year. It should be made available for the benefit of those who produce it.

More than simply providing resources, taking society out of the hands of a money-hungry oligarchy would allow a drastic reduction in the working day and week, making working hours more flexible and a new flourishing of withered communities and social connections.

It would allow the activity of raising children to be transformed from a problem to be solved, as it is under capitalism, into the naturally integrated and fulfilling part of daily life it should always be.



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Society can afford *either* comprehensive childcare *or* the rich

The resources exist to provide comprehensive childcare and support to all parents.

Increasing maternity/paternity pay to level of the National Living Wage would cost roughly £5 billion a year. A 2022 study by the Institute For Public Policy Research estimated that a “universal childcare guarantee” for children up to 11 would cost £17.8 billion a year, substantially offset by tax receipts from working parents.

This is a fraction of the wealth looted by the super-rich. Over £90 billion is paid out each year in dividends, £80 billion is realised in capital gains and roughly £40 billion received in bonuses—all flowing overwhelmingly to the very richest in society.

This privately hoarded fortune would not be possible without either the wage labour of the working class, or