

FRENCH EARLY CHILD EDUCATION AND CARE COMPANIES

STRATEGIC COMPANY RESEARCH

VERA WEGHMANN, EMANUELE LOBINA AND AL-HASSAN ADAM

2024



**UNIVERSITY OF
GREENWICH**

Public Services International
Research Unit

TABLE OF CONTENTS

1. INTRODUCTION	4
2. EARLY CHILD EDUCATION AND CARE IN EUROPE	6
2.1 OVERVIEW AND TRENDS: TOWARDS A PRIVATISED ECEC IN EUROPE?	6
2.2 UNITED KINGDOM	9
2.3 SWEDEN	10
2.4 NORWAY	11
2.5 GERMANY	13
2.6 AUSTRIA	14
3. THE FRENCH EARLY CHILD EDUCATION AND CARE SECTOR	16
3.1 OVERVIEW AND TRENDS	16
3.2 THE PROBLEMS WITH CHILDCARE PRIVATISATION	17
3.3 PUBLIC VS. PRIVATE	18
3.4 TOWARDS CHANGE FOR QUALITY CHILDCARE SERVICES?	19
3.5 COMPANY RESEARCH	20
3.5 INVOLVEMENT OF PRIVATE EQUITY	31

1. INTRODUCTION

Across the globe we observe a growing involvement of private actors in early child education and care (ECEC) and Europe is no exception.ⁱ The increasing marketisation of nurseries undermines equitable and universal access to quality early child education and care for all children, as priorities change from the quality of care to commercial objectives.ⁱⁱ In the EU every child has the right to affordable and high-quality early childhood education and care (ECEC).ⁱⁱⁱ The increasing private sector participation in ECEC undermines this.

International examples of the problems with ECEC privatisation include making profits by cutting workers' wages and operating costs at the expense of the quality of care, while benefitting from government subsidies, as was the case of ABC Learning Ltd in Australia before it collapsed in 2008.^{iv} As privatisation and marketisation go hand in hand, private equity firms acquire more and more stakes in the capital of private ECEC providers. This is problematic as private equity firms are interested in extracting as much profit as possible in the short to medium term (e.g. 5-10 years) from the companies they invest in. And so, they put considerable pressure on reducing the operating costs of the ECEC companies they own, loading them with debt to extract fees and pushing them to expand nationally and internationally to increase the price tag when the moment of selling them comes.^v

Recently, two books written by journalists have brought the issue of the privatisation of ECEC in France into the public debate, pointing to similar problems with the privatisation of ECEC in Anglo-Saxon countries.^{vi} In France, four private groups have been behind the sharp rise of privatised nurseries, namely Babilou (Evancia), Les Petits Chaperons Rouges (Grandir), People & Baby, and La Maison Bleu. Today they account for around 9% of nursery places (between 80,000^{vii} and 115,000 children^{viii}). Their rise has been particularly steep, considering that all four of them were founded between 2000 and 2004, usually by a couple of individuals. Also, the French private market keeps growing, as 80% of new spots being currently offered are in privately-run creches.^{ix} Behind the private

companies' appetite for growth (and profits) stand the private equity firms that currently own shares in three of the four groups, while the fourth group is indirectly owned by a private equity firm since 2024. The four groups are not only expanding their operations in France but also internationally and three of them meet the requirements to set up European Works Councils. A fourth group (La Maison Rouge) is likely to also meet these requirements.^x

While the institutional organisation of the ECE sector varies considerably from one European country to another, some patterns found in the French ECEC sector can also be seen elsewhere. These patterns include the factors that have paved the way for the rise of for-profit private providers (e.g. austerity and public under-funding of the sector), and the use of public subsidies to support the companies' profits.

This report, commissioned by EPSU, has been written by the Public Services International Research Unit (PSIRU) to provide company research on the four largest French childcare companies and give an overview of the trends in the ECEC sector, especially the scope of privatisation, in France and other European countries where ECEC privatisation is on the increase. The report begins with an overview of the ECEC sector in Europe and of privatisation trends and institutional issues, in the following European countries: UK, Sweden, Norway, Germany, Austria. Another section of the report gives an overview of the French ECEC sector, including the institutional organisation of the sector, privatisation trends, the problems with childcare privatisation and recent proposals for the reform of the sector advanced by a governmental body and by French trade unions. This is followed by detailed company research on the main four private French groups that, for each of them, looks at their ownership, subsidiaries (both in Europe and internationally), market strategy, employee numbers in European subsidiaries (with an assessment of the requirements to set up European Works Councils) and internationally, and finances.

2. EARLY CHILD EDUCATION AND CARE IN EUROPE

2.1 Overview and trends: towards a privatised ECEC in Europe?

There are over 15 million children in early childhood education (15.4 million in 2021). The data available for Europe distinguishes between early childhood educational development (ages 0-3), which counted 1.8 million children in 2021 and pre-primary education (3-until primary school education), which counted 13.6 million children.^{xi}

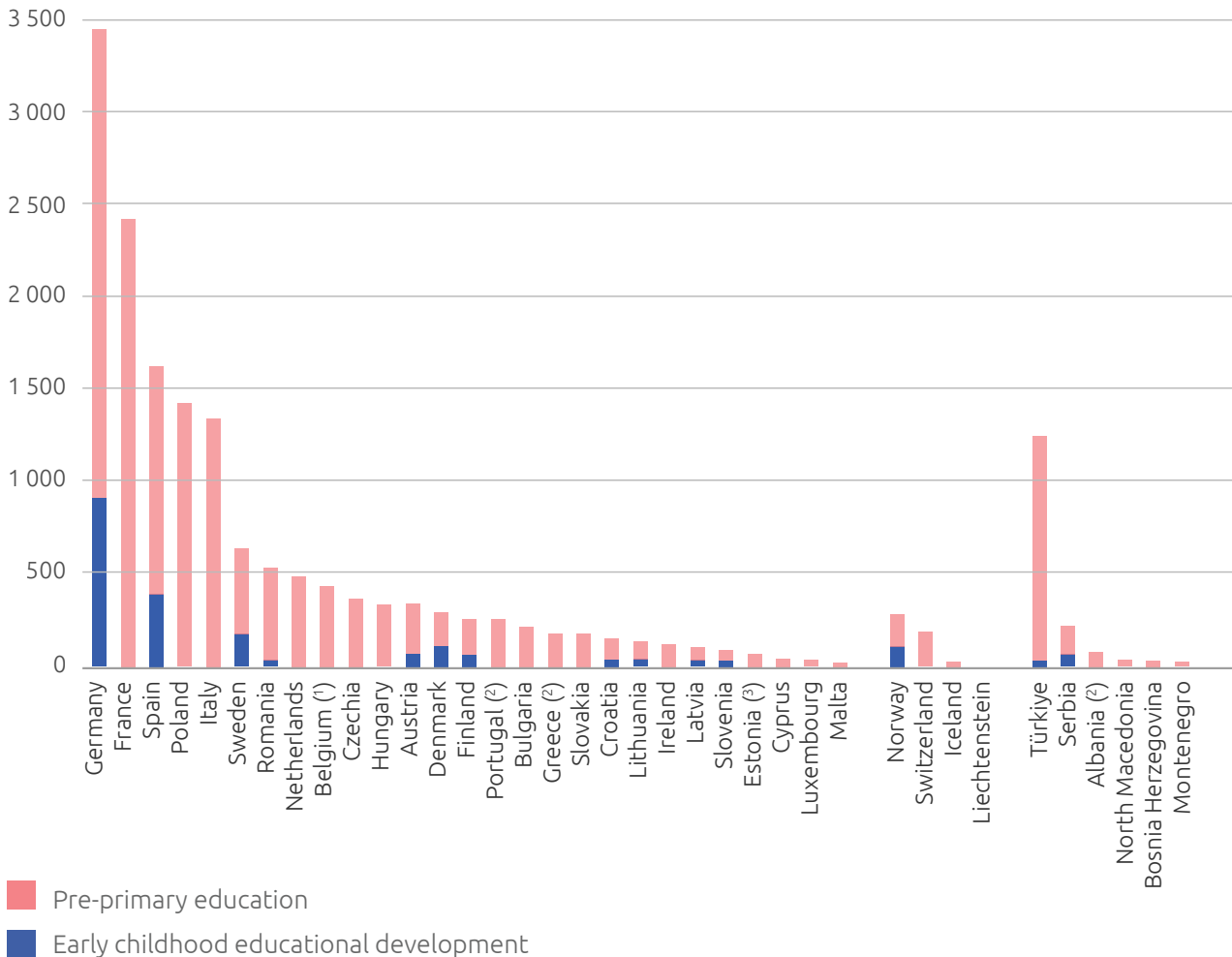
In the EU privatisation of childcare is higher in early childhood development (0-3) than in pre-primary education (3+), according to the European Commission.^{xii} It is noteworthy that in most EU countries the participation of early childhood educational development is relatively low. Only in Sweden (76.0 %) and Denmark (75.7 %), over three-quarters of children from 0-3 were in early childhood educational development. However, in both of those countries the vast majority was publicly run (see graph A). In Austria and Germany, enrolments private early childhood educational development institutions were very large: 59.6 % in Austria and 73.4 % in Germany. However, in these countries the private institutions are largely not for profit religious and welfare institutions (see section 3.3.5 and 3.3.6).^{xiii} In Spain privatised early childhood educational development is very large with just over half (53,8%) of the children enrolled in private institutions. This is significant, as in Spain the children attending early childhood development is relatively large (see graph A below). In Ireland all children in early childhood educational development are in privatised childcare, yet most children are not enrolled in early childhood educational development.^{xiv}

The graph A below provides an overview of the privatisation of early childhood educational development (note that it does not cover pre-primary education (3+ of age)). The data also distinguishes between childcare that is provided by the private sector but government-dependent and private independent childcare institutions. It is also noteworthy that the graph only depicts data on institutions that meet the minimum requirements on early childhood education

(ISCED level 0 programmes) so childcare-only programmes that are part of the ECEC definition are excluded. Hence, the Eurostat data presented here does not depict the full picture of privatised ECEC for 0-3 years of age in Europe.

Graph A. Number of early childhood education pupils, 2021

(1 000)



Note: early childhood educational development not applicable in Bulgaria, Czechia, France, Italy, Luxembourg, the Netherlands, Poland, Slovakia, Liechtenstein and Switzerland.

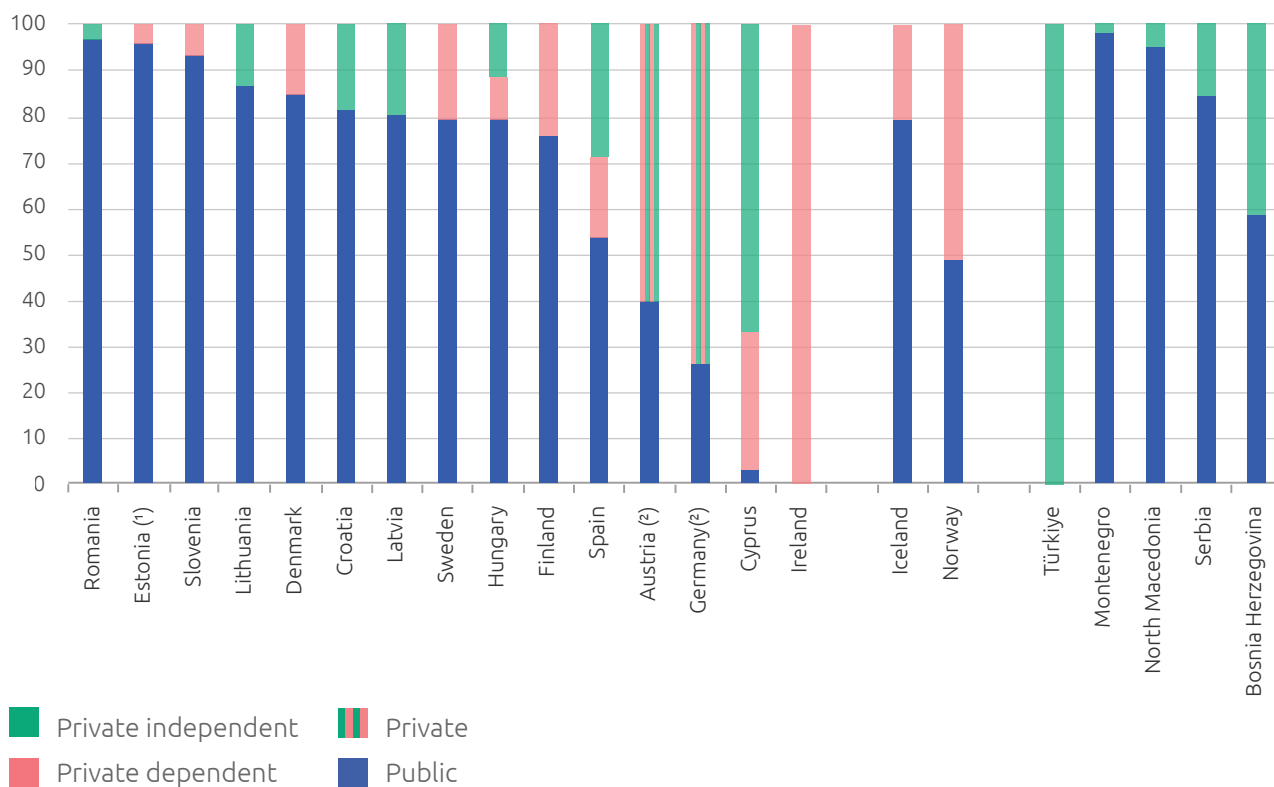
(1) Early childhood educational development: not available in the Flemish community; not applicable for the French community.

(2) Early childhood educational development: not available.

(3) Pre-primary including early childhood educational development.

Source: Eurostat (Online data code: educ_uoe_enrp01)

Graph B. Distribution of pupils in early childhood educational development by type of institution, 2021
(%)



Note: Belgium, Greece, Malta and Portugal, incomplete or not available. Bulgaria, Czechia, France, Italy, Luxembourg, the Netherlands, Poland, Slovakia, Liechtenstein and Switzerland: not applicable.

(1) Overcoverage: including pre-primary education.

(2) Data for private dependent and private independent are combined.

Source: Eurostat (Online data code: educ_uae_enrp01)



Unfortunately, the European Commission did not publish the data on the share of private institutions in pre-primary education (3+). While in contrast to the US, Australia, New Zealand and also many Asian countries the privatisation of early childhood is Europe has been minimal in the past. However, in recent years market-oriented policies on for instance parental choice and the right of private actors to establish and provide ECEC have facilitated the increase of privatised ECEC.^{xv} Given the negative experience of privatised ECEC in the US (include reference) and also in the UK (see section 3.3.2), with high fees and low standards in the quality of care. The case of the UK also shows that the financialisation of the sector via the entry of private equity firms make the sector prone to scandals.

There are differences between countries and regions on the European continent. This report gives an overview of different privatisation trends in Europe.

The UK, while no longer in the EU, is still significant as French childcare companies are trying to establish a market presence here (see section 3.3.2) and because the privatisation is most severe in the UK. In the Nordic countries (see section 3.3.3 and 3.3.4) ECEC is also largely privatised, yet the funding for it is public and the sector is also tightly regulated. In Austria on the other hand ECEC is mostly in public ownership, yet the early children educational development (0-3) is largely outsourced to not-for-profit providers, for example charities and religious institutions.

2.2 United Kingdom

The UK spends less than 0.1% of its GDP on childcare. The privatised, for-profit provision of ECEC has been actively promoted in the UK and especially in England. In England 84% of childcare is delivered by for-profit providers.^{xvi}

Hence, the UK market is often a target for big international groups – for example also two of the large French groups, namely La Maison Bleue and LPCR (see section 2.2.2 and 2.2.4). Of these large company groups there are continuous consolidations – as such the market gets more and more concentrated. The two largest companies – Busy Bees and Bright Horizons – now have 8% of the market share and provide over 60,500 places. The childcare market in England was valued at £5.5 billion in 2017/18. Private sector (for-profit) nurseries generated an estimated income of £4.7 billion (85%).^{xvii}

The ECEC sector in the UK is also increasingly becoming a target of private equity. A Guardian analysis in mid-2023 revealed that investment funds have more than doubled their stake in ECEC between 2018 and 2022.^{xviii} In 2022 least 1,048 nurseries were fully or partially controlled by investment companies, including private equity and venture capital firms. This is 7.5% of all nursery places, up from 4% in 2018.^{xix} This research warned that the increasing involvement of private equity in the sector could leave providers more vulnerable to closure.^{xx}

The UK parents have some of the highest childcare costs on the European continent. In fact, it is so high that many people cannot afford childcare. Consequently, the reality is that many women are prevented from going back to work after creating a family – especially when the family has more than one child. On average the cost of nursery for one child full time is £1,693 a month in the UK.^{xxi} This is the same as the entire salary of one full-time worker on the UK's national living wage (the minimum wage an employer is allowed to pay).¹ Being paid the national living wage or below is not uncommon in the UK. The Low Pay

¹ The national living wage in the UK (the minimum wage) is £10.42 per hour for over 23 year olds, on a 37,5 hour working week this is £1694 a months.

Commission estimates that around 1.6 million workers were paid at or below the minimum wage in April 2022. This is around 5% of all workers in the UK.^{xxii} The privatised childcare system in the UK therefore deepens class and gender inequalities.

2.3 Sweden

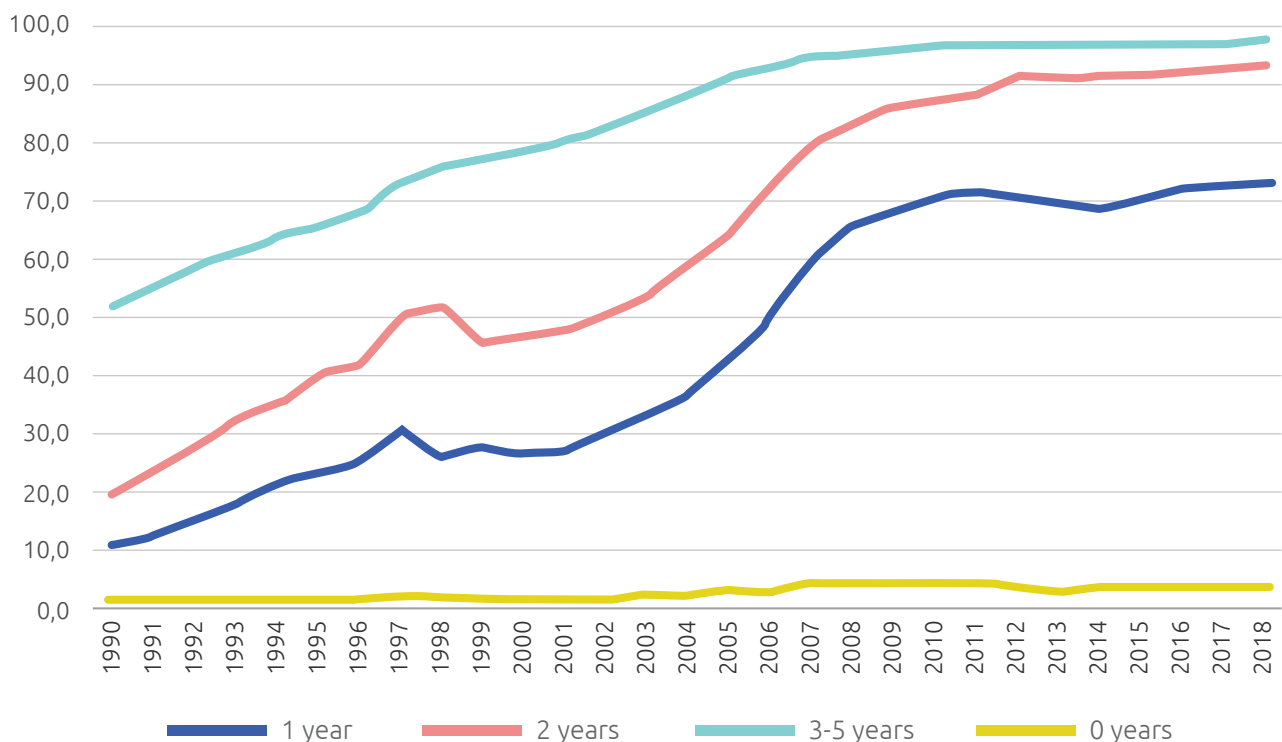
In Sweden, ECEC service provision by profit actors has been expanding rapidly in recent years.^{xxiii} This is unsurprising as Sweden has become a main proponent of privatisation and marketisation policies in recent years.^{xxiv} In the 1970s the massive expansion/the development of an ECEC sector from the 1940s onwards meant that the municipalities operated 96% of the pre-school childcare.^{xxv} However, from 1991 onwards there was more and more private sector involvement. This was facilitated by the election of the conservative and liberal coalition minority government which came into power that year. Immediately after being elected, they introduced the “Freedom of Choice within Early Childhood Education and Care” bill which allowed municipalities to decide to include private actors in their childcare plan.^{xxvi} The increase in private sector participation continued and by 2018, 28% of Swedish preschools were privately run. This expansion of the private sector has been part of an expansion of the early childcare sector as a whole. While in 1985 only 32% of all preschool children were enrolled in ECEC by 2010 these were 83%.^{xxvii} The drive for increased private sector participation in ECEC was continued by the Social Democratic Party to support a rapid growth of pre-schools.^{xxviii}

The increase of private sector participation is publicly funded. In 2009, Sweden introduced a publicly funded voucher system for ECEC (*barnomsorgspeng*). The result of the vouchers is that parental fees that are closer or similar to the fees charged in public ECEC institutions. The amount of the voucher varies according to family income, the number of hours in the ECEC setting, family size, siblings in ECEC, etc. Since 2010, 3-5 year-old children have had the right to cost-free, half-time hours in preschool and six-year-old children attend free, compulsory (since 2018) preschool classes. Public early children educational development (0-3) has regulated maximum price levels. At the same time the Swedish government has also not limited the profits private companies can make in ECEC. In academic book from 2017 entitled ‘The Changing Roles of For-Profit and Nonprofit Welfare Provision in Norway, Sweden, and Denmark’ that the lack of limitations of profit has resulted in increased involvement of private equity firms.^{xxix}

2.4 Norway

The Norwegian ECEC model consists of an integrated system where nurseries provide services to all children from 1-5 years of age. The vast majority (a striking 93%) of the 1–5-year-old children attend nursery and the attendance is rising to 99 per cent for five-year-olds (See Figure below).

Graph C: Children in Norwegian day care by age and time (percentage of age groups).



Source: Nordic Statistics CHHIL03 Note: includes care for all children at different ages, whether full-time or part-time, during day-time hours (6:00 am to 6:00 pm) in all institutions where attendance is checked by a public authority.

Source: Trættemberg, H.S., Sivesind, K. H., Hrafnisdóttir, S. & Paananen, M. (2021) Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix. Institute for Social Research.

The public-private-split in Norway is relatively even: with 47% of the nurseries being municipal, and 53% private. With policy efforts to reach the full coverage of childcare Norway has seen an increase in pro-profit providers (see table 2.1).^{xxx} This wasn't always the case. Two decades ago, there were hardly any for-profit players providing childcare in Norway. This changed in 2003. Coping Sweden Norway also introduced a system of 'user choice', a voucher scheme and payments per user. A system which had been the driver of privatisation in Sweden (see section 3.3.3). Yet, in contrast to Sweden Norway introduced some (yet limited) restrictions on profits. By capping the maximum price for nurseries, Norway incentivised that parents send their children to Nursery. The

2003 reforms were facilitated by huge public investments which also gave direct funding to new public and private childcare institutions, including beneficial loans from the Norwegian State Housing Bank. Such a friendly environment towards private providers motivated by the willingness to quickly increase Norway's institutional childcare capacity.^{xxxI} So, from 2003 onwards the enrolment in nurseries went up (see the Graph C). The expansion drive was also met with the founding of new public nurseries, yet the pro-profit providers dominated the establishment of new nurseries from 2003 onwards due to the strong economic incentives for private providers. As such, the public private mix started to shift, towards increased private sector provision of childcare (see Table 2.1).

Table 2.1. Children in public and private institutions

	Children in public kindergartens	Public share	Children in private kindergartens	Private share
2000	112,99	60%	76,838	41%
2002	116,229	59%	82,033	41%
2004	120,401	57%	92,696	44%
2006	127,252	54%	107,696	46%
2008	141,502	54%	120,384	46%
2010	147,180	53%	129,959	47%
2012	150,777	53%	135,376	47%
2013	149,870	52%	137,307	48%
2014	147,493	51%	138,921	49%
2015	143,803	51%	139,805	49%
2016	142,319	50%	140,330	50%
2017	140,999	50%	140,623	50%
2018	139,154	50%	139,424	50%
2019	138,122	50%	137,682	50%
2020	136,280	50%	135,984	50%

Source: Utdanningsdirektoratet

Source: Trætteberg, H.S., Sivesind, K. H., Hrafnsdóttir, S. & Paananen, M. (2021) Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix. Institute for Social Research.

Also, all the not-for-profit nurseries were replaced and taken over by for-profit providers. From 2010 to 2018, the number of for-profit nurseries had grown by 34 percent, at the same time non-profit kindergartens had declined by 71 percent. The trend was towards bigger nurseries and the not-for-profit child-care institutions could no longer compete with the big for-profit nursery players in Norway.^{xxxii} A rapid market concentration was the consequence of the fast privatisation of the childcare sector. In 2018 an independent review found that six largest pro-profit nursery chains (measured in the number of children) increased from running around 11% of the private nurseries in 2007 to almost 32% in 2016. Their profits accounted to 60% of all the profits made by private for-profit nurseries in Norway.^{xxxiii} Further research, commissioned by the Norwegian government, shows that the market concentration continues with big chains buying up smaller chains and independent nurseries. The report also highlighted that if this trend continues five of the big chains will own half of the Norwegian for-profit nurseries by 2029.^{xxxiv}

Another report by the Norwegian government in 2020 found that the major for-profit chains have beyond-reasonable profit margins. The same report also highlighted that this has led to an increasing financialization of the sector with a growing tendency of international investment funds entering the Norwegian nursery market.^{xxxv}

Another trend of the increased privatisation was the reduced child-staff ratio of private providers in order to increase their profit margins. The government intervened in 2018 by introducing new staff-child regulation. This was a mechanism to improve the quality of care and an indirect way to limit the profit making in the childcare sector. And it worked. The private providers were forced to hire more staff and their profit levels declined in 2019.^{xxxvi}

2.5 Germany

The majority of nurseries are run by providers six leading associations of independent welfare: German Caritas Association, Diakonisches Werk, Arbeiterwohlfahrt, German Paritätischer Wohlfahrtsverband, German Red Cross and Central Welfare Office of Jews in Germany. Together, these providers make up around half of the total Day care centers in Germany.^{xxxvii} In March 2023 only 33% were in public ownership (19 930 nurseries out of 60 045).^{xxxviii} The private for-profit sector in Germany is providing only around 3% of the nurseries (1,805 of the nursery places). More than half of those places are provided by 10 big international childcare groups. In 2022, the French-based multinational Babilou was with 120 nurseries the biggest private child-care provider in Germany.^{xxxix} The staff of pre-school establishments are employed by the respective main-

taining bodies (local authorities, churches and privately-maintained bodies), and paid in accordance with rates negotiated under collective agreements. As a rule, privately-maintained bodies are not subject to a collective agreement. At present and in the next few years there will be huge demand for skilled staff in pre-school education in some of the Länder. The reasons for this are above all the expansion of day care for children under three years of age and measures for quality assurance in the early childhood education and care sector. To cover the additional demand, the Länder concerned have increased their training capacities.^{XL}

German trade union ver.di has taken action on staff shortages, estimating that childcare services lacked 170,000 trained staff.

2.6 Austria

In Austria 93% of the 3-5 year old children are in nursery (figures from 2022). For under 3 year olds the rate is 28%. According to the Austrian institute for statistics there were around 8,600 institutional childcare facilities in Austria in 2020/21. A bit more than half (around 4,600) of these were nurseries; (for children from 2.5 or 3 years old until they start school). And around 2,400 of the facilities were crèches (for 0–3-year-olds) and 1,600 were mixed-age facilities. In total, almost 323,000 children were cared for in these facilities. And a small proportion of children were also looked after by childminders.^{XLI}

Most of the childcare facilities in Austria are in public ownership: 57% are run by a public provider and 43% by the private sector.^{XLII} The vast majority of the nurseries (2.5 or 3 until primary school) are operated by the public sector (72%), of which most them are operated by the municipalities (55% of all nurseries).^{XLIII} In contrast, as mentioned in section 1, the Eurostat data shows that the early childhood educational development institutions (for children of the age of 0-3) in Austria are mostly privately operated – yet this figure includes religious organisations, non-profit associations, companies and private individuals.^{XLIV} Most of the early childhood educational development institutions are located in larger communities and cities; around 30% of the offers are in Vienna. Hence, in Vienna the childcare sector as a whole is mostly privatised (two thirds of all nurseries).^{XLV} Also, the mixed-age facilities are mostly in public ownership.^{XLVI}

In Austria the half-day enrolment of children in nurseries in the year before starting school is free of charge ('the free Kindergarten year') since mid 2009. Apart from that, fees vary as it is set by the provinces. However, some provinces have made the entire early education sector free of charge. In Burgenland all day childcare is free of charge for 0-6 years of age, in Lower Austria and Upper

Austria part time daycare is free for children between 2.5 and 6 years old and in Tyrol part time day care is free for children aged 4-6. Also, in Vienna no parental contributions are required in public institutions for all-day childcare for children of 0 to 6 years of age. Despite public childcare being free only about half of the children in Vienna are enrolled in public childcare institutions. In the other provinces the fees vary between EUR 40 and EUR 440 per month with adjustment depending on income – in all the provinces were early childcare costs there is at least a partial social adjusted fee system.^{XLVII}

The group size and the childcare ratio are central quality criteria in institutional elementary education and childcare. In Austria provinces regulate how many children can be in one group. For example, for children under 3 years the group size varies between 8 in Salzburg and 23 in Carinthia.^{XLVIII} Yet, a recent study of the university of Vienna showed that group sizes decreased in all types of institutions all over Austria from 2007/08 to 2016/17.^{XLIX} Also, the child-staff ratio improved in this timeframe in nurseries with 7.5 children per staff member in 2007/08 to 6.4 children per staff member 2016/17. Yet, in the early child (0-3) institutions there was an increase in the number of children per staff member: from 3.9 children per staff member in 2007/08 4.4 children per staff member in 2016/17. ^L This is not surprising given the increased privatisation of early (0-3) childcare in Austria, if driven by a profit motive there is an incentive to have lower numbers and more children. Nevertheless, the issue of staff shortages in childcare across Austria is still a contested issue. There is already a shortage of 350 educators in Vienna alone. And a lot of the staff in the sector is due to retire. When taking into account population development, childcare rates and staff additions and departures, there could already be a shortage of 13,700 skilled childcare workers in Austria by 2030, according to a study by the University of Klagenfurt and the Institute for Vocational Training Research (ÖIBF).^{LI}

Expenditure in Austria has increased significantly over the years: according to an analysis by the Centre for Administrative Research (KDZ), public spending for childcare amounted to spent 2.9 billion euros in 2019. In 2007 it was only 1.3 billion. During this timeframe the childcare sector has not only been expanded but also because, as shown above, that money was invested in better staffing levels. The municipalities bear around two thirds of the childcare expenses, whereby most of the money goes to.

3. THE FRENCH EARLY CHILD EDUCATION AND CARE SECTOR

3.1 Overview and trends

In France, “Early Childhood Education (0-3 years) is mainly paid by parents supported by a complex family benefits system. Until the age of three, parents usually choose one of the three options: a creche or daycare centre, a registered childminder, or thirdly remaining with the family itself”.^{LI} As the sector is liberalised, local authorities use competitive tendering to award contracts for the management of nurseries. The provider of childcare services can be an undertaking in the for-profit private, not-for-profit private or public sector. Households pay the same price irrespective of whether the nursery is privately- or municipally-operated. A central governmental agency called CAF also subsidises the operating costs of the childcare service provider.^{LIII}

The management of creches, nurseries or daycare settings has been increasingly privatised since the early 2000s as successive governments deregulated the sector in an attempt to increase the number of childcare spots. Deregulation has taken different forms. In 2004, the French government has enabled large corporations to reserve spots for the children of employees in privately-run nurseries and to then claim 50% of these expenses as tax credits. In 2010, a governmental decree reduced the qualifications required to work in a creche, and in 2022 a new decree has allowed daycare centres to employ workers without qualifications. Also, local authorities have increasingly outsourced the management of nurseries through competitive tendering.^{LIV} As a result, private companies – and particularly the four leading groups Babilou (Evancia), Les Petits Chaperons Rouges (Grandir), People & Baby, and La Maison Bleu – have rapidly increased their share of the French ECEC sector.^{LIV}

According to two recent books written by journalists, these four groups account for 65% of the French private nursery market. This is estimated to be worth €1.5 billion and to range between 80,000^{LVI} and 115,000 spots.^{LVII} In 2021, the credit rating agency S&P Global estimated that the five largest private com-

panies accounted for 9% of the French ECEC market, composed of the spots for children under 3-years of age that were managed by all for-profit private, not-for-profit private and public sector operators.^{LVIII} In 2020, the total of these spots stood at 1,308,000.^{LIX}

3.2 The problems with childcare privatisation

But there are even deeper reasons for this privatisation trend, like the fiscal pressure that has led more and more local authorities to use competitive tendering to appoint the undertaking in charge of operating nurseries, and to reduce their expenditure in the process.^{LX} The use of competitive tendering has led to important changes in the landscape of nursery operators and produced a downward pressure on service quality, as explained in a 2023 report by the General inspectorate for social affairs (Inspection Générale des Affaires Sociales, or IGAS). This is an office of the French government that is responsible for auditing and inspecting health, social security, and social care services.^{LXI} The 2023 IGAS report points to the difficulties faced by voluntary sector organisations, in a context of decreasing public subsidies, when bidding against the private operators and particularly any of the four groups. In fact, the offer of the for-profit private groups is often economically more competitive because, unlike private not-for-profit organisations, they can act as “loss leaders”. More precisely, the for-profit private groups can afford to put forward bids that are below cost to ensure that they win a contract with the local authority. Once the contract is awarded, the groups can compensate for the money lost managing the nursery thanks to the lucrative management of corporate-funded daycare centres (i.e. the nurseries dedicated to minding the children of the employees of private corporations, often large groups themselves). IGAS identifies the practice of “loss leaders” as problematic because the company that wins the contract by cutting costs to excess has an incentive to reduce service quality. In a sector where the majority of operating costs are represented by the salary of employees, this may and does translate into poor pay and working conditions.^{LXII}

The IGAS 2023 report stresses that the factors that undermine service quality in the ECEC sector include the “disengagement” (both financial and regulatory) of local authorities and of the state, as well as the commercial strategies of the four private groups. While initially the introduction of the private sector had brought new pedagogical approaches, the commercial practices put in place by the private groups to achieve ambitious growth targets, in a context where some of these groups are owned by private equity, have soon led to a deterioration of service quality. There are concerns among local regulators that more and more actors in the sector may start emulating these practices, that put commercial gain before the safety and development of children.^{LXIII} When

children are harmed or suffer because of a lack of surveillance and attention, and when this harm is due to managerial strategies and decisions or policy measures, we are looking at cases of so-called “institutional mistreatment”. This is not only the case when the effects of cost-cutting and profit-seeking include overbooking, inadequate premises, rationed meals with some children going home hungry, rationed nappies and children left unchanged for hours, insufficient time for sleeping, inadequate books and recreational/pedagogic materials, among others.^{LXIV} Institutional mistreatment also includes the profit-seeking practices of private groups that severely limit the ability of workers to do a good job. In fact, poor pay and working conditions (including inadequate entry qualifications, lack of training, no time for reflective on-the-job practice, excessive workloads, exceedingly long hours, inadequate staff/children ratios) have led to poor morale, high staff turnover and severe labour shortages, burnout, a lack of skills and capacity and far too often, the worker’s inability to devote adequate time and attention to children – all conditions for one of the most common forms of child mistreatment in nurseries, that of neglect.^{LXV}

The risks of putting private profit before care became tragically clear in June 2022 when an 11 month-old girl died in Lyon after a lone, exhausted People & Baby employee made her drink a liquid pipe unblocker. The catalogue of mistreatments and malpractices goes on to include babies left wondering alone outside the nursery or exposing themselves to domestic hazards, being bitten or beaten up repeatedly in the absence of adult supervision, being “forgotten” in isolation, etc.^{LXVI}

3.3 Public vs. private

The 2023 IGAS report does not carry out a comparative evaluation of the quantity and quality of services provided by the for-profit private, not-for-profit private and public sectors. In fact, the report points to weaknesses among some public providers. More precisely, the report finds considerable disparity between the high quality of care provided by well-resourced public enterprises in large urban areas and that offered by the public sector in small communities and in deprived areas.^{LXVII} Yet, what emerges clearly from the report is that quality of childcare and the safety and personal development of children go hand in hand with quality of employment and adequate pay and working conditions. In that sense, CGT notes that private collective contracts are less favourable than those offered by the public sector and that the competition between public and private childcare providers is eroding pay and working conditions, making employment less attractive and jeopardising quality of care across the sector.^{LXVIII} Privatisation and outsourcing, and relentless cost-cutting in the interest of private profit, are clearly not the answer to this state of affairs. The

same can be said of policies like austerity and deregulation and the reluctance of public authorities to invest, legislate and regulate in the interest of children.

3.4 Towards change for quality childcare services?

Against this backdrop, IGAS has made detailed recommendations aimed at remedying the situation. These include measures to strengthen the financial transparency of private service provision; for example, by requiring private childcare providers to produce cost accounts that are not limited to the operating costs of local creches but also identify the charges levied by corporate headquarters on their subsidiaries (and which may be used by private groups to inflate their costs and increase profits, in a practice known as “transfer pricing”). The recommended measure is similar to an obligation imposed by a 2022 French decree on the private providers of adult care, another public service where the practices of private contractors have come under severe scrutiny.^{LXIX} Other recommendations contained in the IGAS report focussed on strengthening regulation in the childcare sector by giving IGAS itself and the General Inspectorate of Finance (IGF) the power to audit the private sector groups as well as voluntary sector organisations, similarly to another initiative adopted for the private providers of adult care. In fact, the accounts of private groups were previously not subject to public audits. Finally, a recommendation was made to strengthen the coordination between national and local regulators – as regards social cohesion, labour inspection and the suppression of fraud – for all types of service provider, private, public and independent.^{LXX}

As regards the capacity to provide quality care, IGAS recommended the introduction of compulsory continuous professional development, the strengthening of on-the-job training, the provision of pedagogical guidance at municipal or regional level, the regular appraisal of nursery managers (at the moment, the requirement for appraising personal performance only applies to the personnel),^{LXXI} and the periodic peer evaluation of practice.^{LXXII}

IGAS also pointed to the need for addressing a shortfall of 10,000 workers at national level (and the permanent closure of 9,500 nurseries due to lack of personnel), by creating the conditions to attract and retain staff.^{LXXIII} The EPSU affiliate and French trade union confederation CGT estimates that in 2022 nearly half of French nurseries were understaffed, and that in 2016-2020 French nurseries were able to meet around 59% of total demand so that 2 out of 5 children under 3 years of age did not have access to formal childcare.^{LXXIV} As regards quality standards, IGAS found that the staff/child ratio prevalent across the country did not put childcare workers in a position to do a good job - in the private, voluntary and public sector, and recommended efforts to effectively

reduce the national staff/child ratio to 1/5, in line with the OECD average.^{LXXV} CGT went even further and demanded the attainment of a staff/child ratio of 1/4, like in Germany.^{LXXVI} Also in order to enhance quality standards, IGAS recommended the strengthening of entry qualifications across the childcare sector, and a massive effort to ensure that an adequate number of additional workers could gain such qualifications and compensate for the current shortfall.^{LXXVII} A study commissioned by CGT estimates that 218,000 additional workforce have to be hired to ensure the provision of quality childcare services in all France and that reducing the gender pay gap among existing employing and extending equal pay conditions to future employees would require an investment of €11.3 billion.^{LXXVIII}

3.5 Company research

This section takes a deep dive into four major French private companies namely, Babilou Family Holding (Evancia), Les Petits Chaperons Rouges group (LPCR, Grandir), People & Baby, and La Maison Bleu. Each company is analysed based on its ownership structure, subsidiaries, Turnover, Net Income, Gearing and number of employees. These data and analyses are important in understanding the companies' financial fundamentals and their financial and economic vulnerabilities, as revealed by the companies' Gearing. There are various methods in which Gearing can be calculated. For the purposes of this report, Gearing by Debt-Asset Ratio was adopted. This is a straightforward calculation of Total Debt divided by Total Asset multiply by 100, which can be written as follows: $(D \div T) \times 100 = x\%$, where D represents Total Debt and T represents Total Debt. To calculate for the Gearing of each company, the report relied on company financial statements from Orbis² and Pappers.³

Babilou Family Holding (Evancia)

Babilou Family is the trade name of Evancia SAS, established in 2003 by two brothers Édouard and Rodolphe Carle.^{LXXIX} The company saw a surge from 24 cots with which it started to its current presence in twelve countries that enable it to manage one thousand two hundred (1,200) settings and deliver care to a total of 57,000 children.⁴

Ownership structure

Babilou Family Holding has six shareholders (see figure below) with Antin Infra-

2 <https://orbis-r1.bvdinfo.com/version-20231204-5-3/Orbis/1/>

3 <https://www.pappers.fr/>

4 <https://babilou-family.com/our-story>

structure Services Luxembourg II Sarl being the global ultimate owner with 57% of the shares. This is part of Antin Infrastructure Partners, a private equity firm focused on infrastructure investments. The group was involved in a scandal in 2023 when the BBC revealed that children in care homes of the Hesley Group in the UK, which was owned by Antin Infrastructure Partners were abused.^{LXXX} At the end of 2023 Antin Infrastructure then sold the Hesley Group, to another private equity firm called Blandford Capital.^{LXXXI}

In 2020, French private equity firm Antin Infrastructure Partners became the first shareholder of Babilou Family, with the Carle family remaining as the reference shareholder with their CF Partners holding. Other shareholders as of 2022 included the US private equity firm TA Associates and the French private equity firm RAISE Investment.^{LXXXII}

The table below shows the complete ownership structure of Babilou in 2024. There are two shell companies namely Antin Infrastructure Services Luxembourg and Bock Capital Eu Luxembourg Bbl S.À R.L.. These companies are registered in Luxembourg as special purpose vehicles to avoid tax. The role of these shell companies would be fundraising and provision of services advisory services and patent rights. Babilou payments to Antin Infrastructure Services Luxembourg and Bock Capital Eu Luxembourg Bbl S.À R.L would not be subject to French taxations. By doing so they are engaging in transfer pricing^{LXXXIII}.

Ownership structure of Babilou, February 2024

Name	Country	Type	Ownership
			Direct %
Antin Infrastructure Services Luxembourg li	LU	C	57.11
CF Partners	FR	C	20.21
Bock Capital Eu Luxembourg Bbl S.À R.L.	LU	E	15.93
Raise Investissement	FR	P	3.48
Bab Pp	FR	C	1.98
Bab Ra	FR	C	0.37

Legend:

C = Corporate E = Mutual and pension fund, nominee, trust, trustee P = Private equity firm

Source: Orbis.

Subsidiaries:

Babilou Family holding has only one subsidiary: Babilou Family Invest 1.

Market strategy:

Babilou uses merges and acquisitions for its expansion. Their most significant acquisition in France was the takeover in 2017 of Kid'S Cool, the 7th largest private provider of day-care centres in the country. Also in 2017, Babilou took over a well-known French training centre that trains over 200 childcare assistants every year.

Babilou operates in 12 countries: France (with 421 settings), Netherlands (315 settings), Germany (123 settings), Singapore (59 settings) Luxembourg (50 settings), United States (37 settings), India (29 settings), United Arab Emirates (26 settings), Belgium (17 settings), Columbia (16 settings), Switzerland (12 settings), and Argentina (9 settings).^{LXXXIV}

According to the credit rating agency S&P Global Ratings Babilou's strategy has used debt-funded acquisitions to diversify geographically. In 2021, Babilou raised €200 million of additional debt to finance the acquisition of Blos in the Netherlands, Little Giant in Germany, and smaller bolt-on acquisitions. The combined full-year revenue of these acquisitions is about €175 million, or one-third of the company's 2020 perimeter. Before these acquisitions Babilou was already €487 million in debt. The additional €200 million has been supplemented by equity contribution.^{LXXXV}

Employees

The Babilou Family's Impact Report 2022 boasts more than 12,000 employees around the world, of which 9,300 in the following 5 EU countries.^{LXXXVI} As Babilou employs 150 workers in 4 European countries in addition to France, and employs more than 1000 workers in the EU, the company meets the requirements to set up European Works Councils.

France: 4,400 employees

Netherlands: 3,000 employees

Germany: 1,300 employees

Luxembourg: 450 employees

Belgium: 150 employees

The remaining 3,140 employees are in the USA (950 employees); Singapore (800 employees); United Arab Emirates (600 employees); Colombia (300 employees); Argentina (200 employees); Switzerland (170 employees); and, India (120 employees).^{LXXXVII}

Finances

Babilou is not just concerned about their profits margins, they also play active role in shaping international guidelines and regulations for early childhood. For example, they have been doing this by collaborating from 2009 to 2018 with Société Générale de Surveillance (SGS), one of the world leading testing, inspection and certification companies,^{LXXXVIII} when they jointly drafted the first private referential for early childhood in France⁵. Babilou is the biggest player in the French ECEC sector. From the records we have examined, they seem to be less geared than their competitors and may therefore be playing the long game.

Babilou Family Holding, Financial summary and performance, 2018-2022

Measure /Year	2018	2019	2020	2021	2022
Total Asset	653m	672m	721m	883m	887m
Total Equity	345m	334m	325m	462m	451m
Total Debt	308m	338m	395m	416	431m
Gearing (Debt to Asset Ratio)	47%	50%	55%	47%	51%
Operating revenue (turnover)			63m	632m	770m
Net income (profits/loss)			-61m	-19m	-126m
No. employees			9,222	12,642	11,895

Les Petits Chaperons Rouges (LPCR, Grandir)

Grandir is the name of the whole group, including both French and international operations. Les Petits Chaperon Rouge (LPCR) is the brand of the French operations. The Grandir group was established in 2000.^{LXXXIX}

Ownership structure:

In 2021, the private equity Infravia acquired a 58% stake in Grandir, with the remainder owned by the founders (22%), the French multinational Sodexo

5 <https://babilou-family.com/our-story>

(19%), and by the management (1%).^{XC} Infravia is a major financial player with a 501million Euro fund for investing in European businesses for growth ^{XCI}. According to Infravia, *“We invested in (Grandir) in 2021 with the view to provide capital required to consolidate leadership position in France, scale-up international operations, invest in digital and operational excellence and continue institutionalization of the business.”^{XCI}* The private equity firm Rothschild had invested in LPCR in 2010 before exiting as private equity in 2016^{XCI}.

Subsidiaries:

LPCR has 15 subsidiaries, listed in the table below.

LPCR subsidiaries, February 2024

Company	Country	Type	Ownership Percentage
Academie Grandir	France	Corporate	100%
Baboune Aventure	France	Corporate	100%
Baboune Odysee	France	Corporate	100%
Bio Creche Concept	France	Mutual And Pension Fund, Nominee, Trust, Trustee	100%
Creche Attitude	France	Corporate	100%
Grandir Gmbh	Germany	Corporate	100%
Grandir Uk Limited	UK	Corporate	100%
Immo Services Plus	France	Corporate	100%
Kids And Co	Canada	Corporate	100%
Lpcr Collectivites Publiques	France	Corporate	100%
Lpcr Dgp Guyancourt Les Berceaux	France	Corporate	100%
Lpcr Dsp Aix	France	Corporate	100%
Lpcr Gmbhc/O Eversheds Llp	Germany	Corporate	100%
Point Omega	France	Corporate	100%
Creches De France	France	Corporate	100%

Source: Orbis.

Market strategy

Grandir owns childcare providers Les Petits Chaperons Rouges in France, Infanterix in Germany and Spain, Kiddi Caru in the UK (since 2017), and Kids & Company in the USA and Canada.^{xciv} In 2022, Grandir/LPCR completed the takeover of Creches Attitude (previously owned by Sodexo's Lively).^{xcv} Their market entry strategy outside France is mergers and acquisitions of existing companies which is typical of private equity modus operandi in growing businesses. An example is its acquisition in the United Kingdom of Kiddi Caru from The Childcare Corporation Limited^{xcvi}. Their expansion into the USA also took place through the acquisition of Kids and Company, a private childcare company established in 2002 by Victoria Sopik and Jennifer Nashmi^{xcvii}.

Employees:

Overall, Grandir operates over 1000 childcare centres in Europe and North America and employs 13,000 workers.^{xcviii} As Grandir employs 150 workers in one EU country (Germany) in addition to France, and employs more than 1000 workers in the EU, the company meets the requirements to set up European Works Councils. The group employs workers in the following countries, including 1500 employees in the UK, which is not subject to EWC regulations since 1st January 2021.^{xcix}

France (Les Petits Chaperons Rouges):	8,000 workers ^c
Germany (Infanterix):	300 employees ^{ci}
UK (Kiddi Caru/Grandir UK):	1,500 employees ^{cii}

Finances

LPCR has taken out large amounts of debts to finance its expansion through acquisitions. This requires scrutiny and further research is required as to who are the lenders. In fact, it is not unusual for companies to use debt to hide their profits by borrowing from their own subsidiaries, normally incorporated in tax free jurisdiction (Fisch and Schmeisser, 2020). Given that the ownership of the company is dominated by private equity Infravia Capital Partners, who communicated that they are in it for growth, it is not surprising that gearing in Grandir is very high. A possible game plan of Infravia Capital Partners is to grow Grandir and then sell it off after five to ten years. This is the same strategy being used by utility companies such as Thames⁶ Water in the United Kingdom.

6 <https://www.theguardian.com/business/2023/jun/30/in-charts-how-privatisation-drained-thames-waters-coffers>

LPCR, Financial summary and performance, 2016-2021

Measure /Year	2016	2017	2018 ⁷	2019	2020	2021
Total Capital	45m	71m	411m	71m	75m	66m
Total Equity	6m	9m	65m	22m	20m	18m
Total Debt	35m	60m	348m	49m	55m	49m
Gearing (Debt to Asset Ratio)	78%	85%	84%	69%	73%	74%
Operating revenue (turn-over)	109	134	139m	165m	170m	182m
Net income (profits/loss)	7m	-1m	-4m	-6m	-4m	-1m

People & Baby

The People & Baby group was founded in 2004 by businessman Christophe Durieux and nurse Odile Broglin.^{CIII}

Ownership structure:

Christophe Durieux owned 100% of the shares between 2015, when he bought a 30% stake from the private equity firm CM-CIC and the public investment bank BPI France,^{CIIV} and 2023. On 10 January 2024, the European Commission approved the acquisition of joint control of Groupe People & Baby SAS by Alcentra Limited and Mr Christophe Durieux. Alcentra is a global asset management firm focused on sub-investment grade corporate credit. Alcentra is one of the largest European alternative credit managers. Alcentra is an indirect wholly owned subsidiary of Franklin Templeton, a global investment management company and private equity firm.^{CV} In other words, the People & Baby group is, once again, partially-owned by private equity.

Subsidiaries

People & Baby has 14 subsidiaries (see table below). All of them are to 100% owned by People & Baby and all of them are corporate companies.

⁷ Figures for this column was extracted from Orbis <https://orbis-r1.bvdinfo.com/version-20231204-5-3/Orbis/1/>

The values were converted from US dollars to Euro using <https://www.xe.com/currencyconverter/>

People & Baby subsidiaries, February 2024

Company	Country	Type	Ownership Percentage
La Giocomotiva S.R.L.	Italy	Corporate	100%
Microbaby	France	Corporate	100%
People & Baby Courbevoie	France	Corporate	100%
People & Baby Saint Cloud	France	Corporate	100%
People & Baby Switzerland Sarl, En Liquidation	Switzerland	Corporate	100%
People & Baby Vaucresson	France	Corporate	100%
People & Kids (Sg) Pte. Ltd.	Singapore	Corporate	100%
People & Kids Italy S.R.L.	Italy	Corporate	100%
People And Baby Developpement	France	Corporate	100%
People And Baby Luxembourg	Luxembourg	Corporate	100%
People And Baby Luxembourg S.A.	Luxembourg	Corporate	100%
People And Baby Switzerland	Switzerland	Corporate	100%
Polaris Preschool S.R.L.	Italy	Corporate	100%
Pipl End Kids Rus	Russia	Corporate	100%

Market strategy

The group operates a total of 850 daycare centres in France and abroad. In 2022 People & Baby recorded a growth rate of 31% in the number of slots. Most of the centres to date are in France, where the group operates 700 centres which are attended by 13,000 children.^{CVI} The company is savvy in its access to public funds. It has established a public private partnership called “Crèche Solidarité Emploi” with the French employment office (Pôle Emploi) to offers childcare to jobseekers.^{CVII}

Outside of France, People and Baby has 190 centres in 10 countries: Italy, Luxembourg, and Belgium, the US and Canada, in Abu Dhabi, Dubai and Qatar and also in China and Singapore.^{CVIII}

Employees

In 2024, People & Baby employed 7,000 workers in France and 446 workers divided between Luxembourg, Italy and Belgium.^{CIX} As People & Baby employs

more than 1000 workers in the EU and must employ 150 workers in at least one European country in addition to France, the company meets the requirements to set up European Works Councils.

In 2024, the group also employed 1160 workers in North America, 1603 in Asia (China and Singapore) and 730 in the Middle East.^{CX} In total, the group has 10,939 employees.

Finances

People & Baby appears to have risky levels of gearing. The best performing companies usually limit gearing to 50%, but People & Baby has gone well beyond that threshold. This approach to gearing requires scrutiny and further research is needed on the financial practices of the group.

People & Baby, Financial summary and performance, 2015-2020

Measure /Year ⁸	2015	2016	2017 ⁹	2018	2019	2020
Total Asset (Euro)	9m	24m	121m	151m	201m	252m
Total Equity (Euro)	-2m	0m	18m	23m	22m	7m
Total Debt (Euro)	11m	24m	103m	128m	178m	244m
Gearing (Debt to Asset Ratio)	122%	100%	85%	85%	89%	97%
Operating revenue (turn-over)			111m		131m	143m
Net income (profits/loss)			8m		-1m	-5

La Maison Bleue

The group La Maison Bleue was established in 2004 by Sylvain Forestier et Antonia Rychbosch. Forestier is also the CEO and majority shareholder of the group^{CXI}.

8 Figures for total asset, total equity and total debt were extracted from company reports hosted on website <https://www.pappers.fr/>

9 Figures for this column was extracted from Orbis <https://orbis-r1.bvdinfo.com/version-20231204-5-3/Orbis/1/>
The values were converted from US dollars to Euro using <https://www.xe.com/currencyconverter/>

Ownership structure:

La Maison Bleue is the Global Ultimate Owner of the corporate group and has 20 shareholders. The biggest shareholder is ICAROS which directly owns 42.13% of the shares and has consistently had around 42% of the shares for the last 10 years. CEO and co-founder Sylvain Forestier owns 59% of shares in ICAROS. ^{CXII} In 2023, the investment fund FPCI ETI 2020 GERE PAR BPIFRANCE INVESTISSEMENT 433975224 bought over 27% of the shares in La Maison Bleue. Further 27% of the shares are held by two Dutch companies, CANOSQUE (NETHERLANDS) B.V. (15.64%) and TSO EUROPEAN HOLDINGS 2 B.V. (11.38%). The rest of the shareholders are individuals and families that hold a small proportion of the shares. According to La Maison Bleue, the group is partially owned by France's public investment bank BPI France and by the private equity firm TowerBrook. ^{CXIII} TowerBrook appears to be linked to both Canosque and TSO European Holdings.

Name	Country	Type	Ownership	
			Direct %	Total %
Icaros	FR	C	42.13	N.A.
Mr Sylvain Foresiter	FR	I	-	37.51
Fpci Eti 2020 Gere Par Bpifrance Investissement 433975224	FR	F	27.10	N.A.
Canosque (Netherlands) B.V.	NL	C	15.64	N.A.
Tso European Holdings 2 B.V.	NL	C	11.38	N.A.
Mme Myriam Filali	N.A.	I	0.13	N.A.
Mr Louis Verdier	N.A.	I	0.05	N.A.
Ms Sarah Steel	GB	I	0.04	N.A.
Sumeer Aggarwal	N.A.	I	0.04	N.A.
M Collet Thibaud	N.A.	I	-	N.A.
M Paillard Germain	N.A.	I	-	N.A.
Mme Clotilde Honnart	N.A.	I	-	N.A.
Mme Fatima Essoufi	N.A.	I	-	N.A.
Mme Julia Monestie	N.A.	I	-	N.A.
Mme Julie Caputo	N.A.	I	-	N.A.
Mme Julie Doye	N.A.	I	-	N.A.
Mme Mylene Renault	N.A.	I	-	N.A.
Mr Florent Baudel	N.A.	I	-	N.A.
Mr Pascal Boisliveau	N.A.	I	-	N.A.
Mrs Marion De Magalhaes	N.A.	I	-	N.A.

Subsidiaries

La Maison Bleue has over 200 subsidiaries (203 according to Orbit). Most of them are 100% owned by La Maison Bleue and are registered in France. The Old Station Nursery Limited (OSNL) is based in the UK and has an operating revenue of £41 million and employs 1,432 people. Also, POP E POPPA SERVICEFAMILLE SARL is based in Switzerland, however there is no data on the operating revenue of this company and – according to Orbis – it only employs one employee.

Market strategy:

La Maison Bleue operates in four countries: France, Luxembourg, Switzerland and the UK. Its main operations are in France where it is one of the biggest ECEC groups, in Switzerland it is also the largest ECEC group and in Luxembourg the second largest.^{CXIV} In 2019 La Maison Bleue bought The Old Station Nursery in the UK and declared that its aim was to become a significant market player in ECEC in the UK.^{CXV} Since being taken over by La Maison Bleue, The Old Station Nursery group has expanded rapidly with its purchase of the Townsend group of six nurseries based in Kent, and Good Manors Day Nurseries, which operates four sites in Hampshire. In 2022 La Maison bleue also bought the Little Roos Day Nursery in Buckinghamshire in the UK.^{CXVI} The Old Station Nursery Group currently operates 79 sites in the UK and is the 13th largest nursery group in Britain.^{CXVII}

Employees

La Maison Bleue employs 6000 workers and operates 500 creches in France, Switzerland, Luxembourg and the UK.^{CXVIII} The British subsidiary The Old Station Nursery Group employs 1,432 workers but, since 1st January 2021, these may not be counted for the purposes of European Works Councils due to Brexit.^{CXIX} However, La Maison Bleue owns Rockids Leudelange Sàrl in Luxembourg since 2017. Rockids manages 24 settings with 700 children enrolled.^{CXX} This makes it likely that Rockids employs more than 150 workers. If this was confirmed, La Maison Bleue would meet the requirements to set up European Works Councils as it employs more than 1000 workers in the EU and more than 150 workers in France.

Finances

The company seemed to be using debt to finance its operations. There is very limited information on who is providing these loans to the company. The availability of cheap debt in Europe and America as a response to the 2008 financial crisis^{CXXI} made it possible for companies to over borrow. It is also a known practice by companies to use their subsidiaries to provide themselves cheap debt (Fisch and Schmeisser, 2020). In so doing, the company transfers its own profits

to a subsidiary, usually incorporated in a tax haven jurisdiction. However, records from Orbis shows the company shareholders. Historically, this company has had private equity financing and trading. In 2016, investors TowerBrook^{CXXII} and BPI France who acquired stakes in the company by buying out Activa Capital and EPF^{CXXIII}. The activities of the private equity through secondary management buyouts are what accounts for the increasing debt financing of the company.

La Maison Bleue, Financial summary and performance, 2017-2022

Measure /Year	2017	2018	2019	2020	2021	2022
Total Asset	319m	249m	342m	343m	394m	442m
Total Equity	137m	69m	118m	162m	182m	105m
Total Debt	182m	180m	224m	181m	211m	337m
Gearing (Debt to Asset Ratio)	57%	72%	66%	53%	54%	76%
Operating revenue (turnover)	18m	19m	18m	17m	14m	16m
Net income (profits/loss)	-19m	-9m	-10m	-13m	-20m	10m

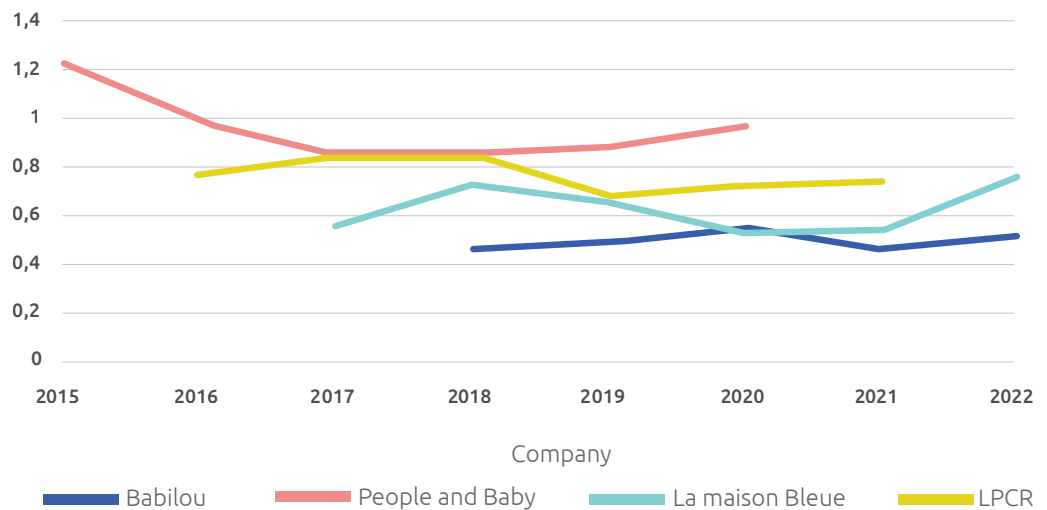
3.5 Involvement of private equity

The growing Phenomenon of financialisation of early childhood education and care paved the way for private equity to join the fray to extract profits out of the section. It is common knowledge that private sector participates to make profit. However, the kind of profit seeking behaviour of private equity is not aimed at making profits through production or provision of a services. They make their profits by using the company assets to raise debts (Stowell, 2018). The debt is used to used in a number of forms; acquiring competitors or entering into new markets be it local or international. The debt is also used to pay the private equity its management fees for providing technical and financial advisor to the company. It is typical for companies who have private equity involvement to be posting losses at the same time growing at faster rate. What is essential happening is that, the private equity is window-dressing the company with the intension of selling off its assets within five-ten years depending on their initial agreement with the original owners of the companies.

The point of selling, the private equity company earns 20% of the value of the total capital plus capital gains. There are reports of private equity and hedge funds using subsidiaries called Special Purpose Vehicles (SPV) to lend money to

their own portfolio companies. The SPV are usually incorporated in tax havens to avoid paying corporate income tax and capital gain tax. As Simon and his colleagues succinctly put it *'tax is treated as a cost to be minimised rather than a distribution of profits to government which provides critical infrastructure and services'* (Simon et al., 2022, p. 3). What keeps these highly geared companies going is the hope that they will be profits in the near future. Private equity companies are good at dressing up their companies and selling it even when they are highly indebted. Usually they find a strategic buyer, that is another private equity company who want to enter the industry or country is facing regulatory challenges to offload their shares to. The new owners would be saddled with huge debts. They would intend pass the burden of serving this huge debt to parents/guardians and workers in the company. Fees would go up and workers would be made to work longer hours, some workers would be laid off for so-called efficiency savings. When gearing approaches 90%, the company is highly vulnerable to bankruptcy. A case in point was the collapse of UK's biggest Care Home provider Southern Cross Healthcare who went bankrupt as a results of gearing (Simon *et al.*, 2022). Thames Water also in the UK, last year almost declared bankruptcy. They are not in the business to provide services to the public and do not care to run down the system. In the event that bankruptcy happens, the children, their parents/guardians and society are the losers why the investors might be protected by their insurance.

Graph D. Gearing by ECCE Companies



It can be observed that, People and Baby is the most geared company among the four. Its gearing rose highest from 122% in 2015 to 97% in 2022. This level of gearing shows the company's overreliance on debt financing and suggests a risky approach to financing. Our findings are consistent with those of Simon et al. on private ECEC providers in the UK: *"We also found that these two chains were also heavy borrowers, with leverage ratios of between 51 per cent and 101 per cent (Debt to Total Assets)."*

-
- I Carlbaum, S. and Rönnerberg, L., 2024. Transforming Nordic early childhood education and care in times of marketisation, privatisation and commercialisation. *Education Inquiry*, pp.1-10.
- II Wasmuth, H., Nitecki, E. 2017. Global Early Childhood Policies: The Impact of the Global Education Reform Movement and Possibilities for Reconceptualization, 4(2), pp. 1-17.
- III This is outlined in the European Pillar of Social Rights. See <https://education.ec.europa.eu/education-levels/early-childhood-education-and-care/about-early-childhood-education-and-care#:~:text=Every%20child%20in%20the%20European,social%2C%20economic%20and%20cultural%20status>.
- IV ARMEDIA team (2002) The selling out of children's services (<https://www.armedia.net.au/the-selling-out-of-childrens-services>); Newberry, S. and Brennan, D., 2013. The marketisation of early childhood education and care (ECEC) in Australia: A structured response. *Financial Accountability & Management*, 29(3), pp.227-245.
- V Harris, A. (2024) Private Equity Has Its Eyes on the Child-Care Industry (Private Equity Has Its Eyes on the Child-Care Industry | Portside); Simon, A. et al. (2022) 'Financialisation and private equity in early childhood care and education in England', *Journal of Social Policy*. 2022/06/13 edn, pp. 1–18. Available at: <https://doi.org/10.1017/S0047279422000484>; Fisch, J.H. and Schmeisser, B. (2020) 'Phasing the operation mode of foreign subsidiaries: Reaping the benefits of multinationality through internal capital markets', *Journal of International Business Studies*, 51(8), pp. 1223–1255. Available at: <https://doi.org/10.1057/s41267-020-00321-1>.
- VI Babyzness, by Bérangère Lepetit and Elsa Marnette, journalists for Le Parisien newspaper.
- VII <https://www.telegraph.co.uk/world-news/2023/09/07/books-shine-light-neglect-and-death-france-private-creche/>.
- VIII <https://www.ouest-france.fr/education/parents-enfants/creches-privées-on-a-lu-le-prix-du-berceau-voici-pourquoi-il-cree-la-polemique-0fd194d2-4d66-11ee-8185-1994beff60be#:~:text=%C2%AB%20Maltraitances%20syst%C3%A9miques%20%C2%BB,quotidiennes%20qui%20peuvent%20para%C3%A9tre%20anodines%20%C2%BB>.
- IX <https://www.ouest-france.fr/education/parents-enfants/ce-que-denonce-le-livre-babyzness-sur-les-creches-privées-et-le-low-cost-de-la-petite-enfance-8c20fda6-4c09-11ee-baa4-3ed981c2f823>
- X These requirements are to employ “at least 1000 employees in the EU and the other countries of the European Economic Area (Norway, Iceland and Liechtenstein), when there are at least 150 employees in each of two Member States” <https://ec.europa.eu/social/main.jsp?catId=707&intPageId=211&langId=en#:~:text=Member%20States%20are%20to%20provide,each%20of%20two%20Member%20States>.
- XI https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Early_childhood_education_statistics
- XII https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Early_childhood_education_statistics
- XIII https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Early_childhood_education_statistics
- XIV https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Early_childhood_education_statistics
- XV Carlbaum, S., Lindgren, J., Benerdal, M. and Rönnerberg, L., 2024. The local market makers: Swedish municipalities as preschool quasi-market organisers. *Education Inquiry*, 15(1), pp.63-84.
- XVI https://neweconomics.org/uploads/files/Quality-childcare_NEF.pdf
- XVII <https://www.childrenengland.org.uk/the-childcare-market-in-england>

- XVIII <https://www.theguardian.com/money/2023/aug/04/childcare-sector-england-not-playground-private-equity-experts-say>
- XIX <https://www.theguardian.com/money/2023/aug/04/childcare-sector-england-not-playground-private-equity-experts-say>
- XX <https://www.theguardian.com/money/2023/aug/04/childcare-sector-england-not-playground-private-equity-experts-say>
- XXI <https://getpenfold.com/news/childcare-cost>
- XXII <https://researchbriefings.files.parliament.uk/documents/CBP-7735/CBP-7735.pdf>
<https://www.tandfonline.com/doi/ref/10.1080/20004508.2023.2234649?scroll=top>
- XXV <https://samfunnsforskning.brage.unit.no/samfunnsforskning-xmlui/bitstream/handle/11250/2831519/Private+Early+Childhood+Education+and+Care.pdf?sequence=1&isAllowed=y>
- XXVI <https://samfunnsforskning.brage.unit.no/samfunnsforskning-xmlui/bitstream/handle/11250/2831519/Private+Early+Childhood+Education+and+Care.pdf?sequence=1&isAllowed=y>
- XXVII Westberg, J. and Larsson, E., 2022. Winning the war by losing the battle? The marketization of the expanding preschool sector in Sweden. *Journal of Education Policy*, 37(5), pp.705-722.
- XXVIII Westberg, J. and Larsson, E., 2022. Winning the war by losing the battle? The marketization of the expanding preschool sector in Sweden. *Journal of Education Policy*, 37(5), pp.705-722.
- XXIX Sivesind, K. H. (2017). The changing role of private for-profit and nonprofit welfare provision in Norway, Sweden and Denmark, and consequences for the Scandinavian model. In K. H. Sivesind & J. Saglie (red.), *Promoting active citizenship? Markets and choice in Scandinavian welfare* (s. 33-74): Palgrave.
- XXX Carlbaum, S. and Rönnerberg, L., 2024. Transforming Nordic early childhood education and care in times of marketisation, privatisation and commercialisation. *Education Inquiry*, pp.1-10.
- XXXI Trættemberg, H.S., Sivesind, K. H., Hrafnisdóttir, S. & Paananen, M. (2021) *Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix*. Institute for Social Research.
- XXXII Trættemberg, H.S., Sivesind, K. H., Hrafnisdóttir, S. & Paananen, M. (2021) *Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix*. Institute for Social Research.
- XXXIII https://www.regjeringen.no/contentassets/239671d772c2422199d3d5b5fb3b4569/bdo_rapport_endelig.pdf
- XXXIV Lunder, T. E. (2019a). En barnehagesektor i endring. Hvilken betydning har framveksten av barnehagekjedene? Bø i Telemark: Telemarksforskning. Retrieved from <https://intra.tmforsk.no/publikasjoner/filer/3454.pdf>
- Referenced in: Trættemberg, H.S., Sivesind, K. H., Hrafnisdóttir, S. & Paananen, M. (2021) *Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix*. Institute for Social Research.
- XXXV NOU 2020: 13. Private aktører i velferdsstaten Velferdstjenesteutvalgets delutredning I og II om offentlig finansierte velferdstjenester Oslo: Departementenes sikkerhets- og serviceorganisasjon. Teknisk redaksjon.
- Referenced in: Trættemberg, H.S., Sivesind, K. H., Hrafnisdóttir, S. & Paananen, M. (2021) *Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix*. Institute for Social Research.
- XXXVI Bjørn EC, Røtnes R, Måøy J, et al. (2021). Lønnsomhet og kapitalstrukturer i private barnehager 2019. Bø i tele-

mark. Telemarksforskning and Samfunnsøkonomisk analyse AS 2021 Bø i Telemark. URL: <https://www.udir.no/contentassets/01183793f9fd44358807f05a91246ea9/rapport-lonnsomhet-og-kapitalstrukturer-endelig-versjon-13sept.pdf>

Referenced in: Trætteberg, H.S., Sivesind, K. H., Hrafnadóttir, S. & Paananen, M. (2021) Private Early Childhood Education and Care (ECEC) in the Nordic Countries. Development and governance of the welfare mix. Institute for Social Research.

XXXVII https://www.dji.de/fileadmin/user_upload/bibs2022/DJI_2022_Eine_neue_Generation_von_Kita-Traegern.pdf

XXXVIII <https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Soziales/Kindertagesbetreuung/Tabellen/kindertageseinrichtungen-traeger.html>

XXXIX <https://www.pflegemarkt.com/fachartikel/liste-der-groessten-privaten-kita-traeger-2023-in-deutschland/>

XL <https://eurydice.eacea.ec.europa.eu/national-education-systems/germany/conditions-service-teachers-working-early-childhood-and-school>

XLI https://www.statistik.at/fileadmin/announcement/2022/07/20220714KTH21_22EN.pdf

XLII <https://eurydice.eacea.ec.europa.eu/national-education-systems/austria/early-childhood-and-school-education-funding>

XLIII <https://www.bundeskanzleramt.gv.at/agenda/familie/kinderbildung-und-betreuung/struktur-und-formen-kinderbildung-und--betreuung.html>

XLIV <https://www.bundeskanzleramt.gv.at/agenda/familie/kinderbildung-und-betreuung/struktur-und-formen-kinderbildung-und--betreuung.html>

XLV <https://www.sn.at/panorama/oesterreich/wien-kuendigt-sondertopf-fuer-private-kindergarten-traeger-an-119102914>

XLVI <https://www.bundeskanzleramt.gv.at/agenda/familie/kinderbildung-und-betreuung/struktur-und-formen-kinderbildung-und--betreuung.html>

XLVII <https://eurydice.eacea.ec.europa.eu/national-education-systems/austria/early-childhood-and-school-education-funding>

XLVIII <https://kurier.at/politik/inland/kindergarten-struktur-und-finanzierung-auf-einen-blick/401945971>

XLIX https://www.oif.ac.at/fileadmin/user_upload/p_oif/Working_Paper/wp_96_ausgaben_kinderbetreuung.pdf

L https://www.oif.ac.at/fileadmin/user_upload/p_oif/Working_Paper/wp_96_ausgaben_kinderbetreuung.pdf

LI <https://www.derstandard.at/story/2000142132304/studie-betreuungsquoten-in-oesterreichs-kindergaerten-nehmen-zu>

LII [https://omeworld.org/from-early-childhood-to-preschool-education-in-france-gilles-petreault/#:~:text=Early%20Childhood%20Education%20\(0%2D3,remaining%20with%20the%20family%20itself.](https://omeworld.org/from-early-childhood-to-preschool-education-in-france-gilles-petreault/#:~:text=Early%20Childhood%20Education%20(0%2D3,remaining%20with%20the%20family%20itself.)

LIII Email communication with CFDT, 8th March 2024.

LIV <https://www.ouest-france.fr/education/parents-enfants/ce-que-denonce-le-livre-babyzness-sur-les-creches-privées-et-le-low-cost-de-la-petite-enfance-8c20fda6-4c09-11ee-baa4-3ed981c2f823>

LV <https://www.ouest-france.fr/education/parents-enfants/ce-que-denonce-le-livre-babyzness-sur-les-creches-privées-et-le-low-cost-de-la-petite-enfance-8c20fda6-4c09-11ee-baa4-3ed981c2f823>

LVI <https://www.telegraph.co.uk/world-news/2023/09/07/books-shine-light-neglect-and-death-france-private-creche/>

- LVII <https://www.ouest-france.fr/education/parents-enfants/creches-privées-on-a-lu-le-prix-du-berceau-voici-pour-quoi-il-cree-la-polemique-0fd194d2-4d66-11ee-8185-1994beff60be#:~:text=%C2%AB%20Maltraitements%20syst%C3%A9miques%20%C2%BB,quotidiennes%20qui%20peuvent%20para%C3%A9tre%20anodines%20%C2%BB>.
- LVIII <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/12143160>.
- LIX https://www.cgt.fr/sites/default/files/2023-10/DP_CGT_Petite%20enfance.pdf, p. 11.
- LX <https://www.telegraph.co.uk/world-news/2023/09/07/books-shine-light-neglect-and-death-france-private-creche/>.
- LXI <https://igas.gouv.fr/-IGAS-in-brief-.html#:~:text=The%20%E2%80%9CInspection%20G%C3%A9n%C3%A9rale%20des%20Affaires,labor%20politiques%2C%20programmes%20and%20services>.
- LXII <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 5.2 (pp. 69-70).
- LXIII <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 5.4 (pp. 72-74).
- LXIV <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf, section 2.1 (p. 23), section 3.1.2 (pp. 29-30); <https://www.telegraph.co.uk/world-news/2023/09/07/books-shine-light-neglect-and-death-france-private-creche/>; <https://www.ouest-france.fr/education/parents-enfants/creches-privées-on-a-lu-le-prix-du-berceau-voici-pour-quoi-il-cree-la-polemique-0fd194d2-4d66-11ee-8185-1994beff60be#:~:text=%C2%AB%20Maltraitements%20syst%C3%A9miques%20%C2%BB,quotidiennes%20qui%20peuvent%20para%C3%A9tre%20anodines%20%C2%BB>; <https://www.ouest-france.fr/education/parents-enfants/ce-que-denonce-le-livre-babyzness-sur-les-creches-privées-et-le-low-cost-de-la-petite-enfance-8c20fda6-4c09-11ee-baa4-3ed981c2f823>.
- LXV <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 3.1.4 (pp. 30-32).
- LXVI https://www.lemonde.fr/en/france/article/2023/09/08/questionable-practices-by-france-s-for-profit-day-care-centers-revealed-in-two-investigations_6129821_7.html; <https://www.ouest-france.fr/education/parents-enfants/ce-que-denonce-le-livre-babyzness-sur-les-creches-privées-et-le-low-cost-de-la-petite-enfance-8c20fda6-4c09-11ee-baa4-3ed981c2f823>; <https://www.telegraph.co.uk/world-news/2023/09/07/books-shine-light-neglect-and-death-france-private-creche/>.
- LXVII <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 5.3 (pp. 71-72).
- LXVIII https://www.cgt.fr/sites/default/files/2023-10/DP_CGT_Petite%20enfance.pdf, p. 11.
- LXIX <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 5.4 (pp. 72-74).
- LXX <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 5.4 (pp. 72-74).
- LXXI <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 6.2.1 (pp. 78-79).
- LXXII <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 6.3.6 (p. 88).
- LXXIII <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 4.5 (pp. 47-54).
- LXXIV https://www.cgt.fr/sites/default/files/2023-10/DP_CGT_Petite%20enfance.pdf, p. 11.

- LXXV <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 4.1 (pp. 41-43).
- LXXVI https://www.cgt.fr/sites/default/files/2023-10/DP_CGT_Petite%20enfance.pdf.
- LXXVII <https://igas.gouv.fr/Qualite-de-l-accueil-et-prevention-de-la-maltraitance-institutionnelle-dans-les.html>; https://igas.gouv.fr/IMG/pdf/2022-062r_tome_1.pdf; section 6.4 (pp. 54-61).
- LXXVIII https://www.cgt.fr/sites/default/files/2023-10/DP_CGT_Petite%20enfance.pdf, p. 20; Revaloriser les métiers du soin et du lien : un enjeu de société | CGT.
- LXXIX <https://www.crunchbase.com/organization/babilou>.
- LXXX <https://www.bbc.com/news/uk-63792458>
- LXXXI <https://news.sky.com/story/scandal-hit-care-group-hesley-sold-to-new-private-investor-12998633>
- LXXXII Babilou Family Rapport d'Impact 2022, p. 39 (<https://www.flipsnack.com/CAC87E77C6F/babilou-family-impact-report-2022-vdef/full-view.html>).
- LXXXIII <https://taxjustice.net/faq/what-is-transfer-pricing/>
- LXXXIV <https://babilou-family.com/>
- LXXXV <https://disclosure.spglobal.com/ratings/pt/regulatory/article/-/view/type/HTML/id/2773086>
- LXXXVI Babilou Family Impact Report 2022, pp. 3, 21-26 (<https://babilou-family.com/impact-report-2022>).
- LXXXVII Babilou Family Impact Report 2022, pp. 3, 21-26 (<https://babilou-family.com/impact-report-2022>).
- LXXXVIII <https://www.sgs.com/en/our-company/about-sgs/our-history>
- LXXXIX <https://edu.grandir.com/>.
- XC <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/12143160>; <https://www.market-screener.com/quote/stock/EURAZEO-SE-4643/news/InfraVia-Capital-completed-the-acquisition-of-65-stake-in-Grandir-SAS-from-Eurazeo-SE-ENXTPA-RF-a-40140911/>.
- XCI <https://infraviacapital.com/growth/>
- XCII <https://infraviacapital.com/companies/grandir/>
- XCIII <https://www.rothschildandco.com/en/five-arrows/corporate-private-equity/portfolio/les-petits-chaperons-rouges/>
- XCIV <https://edu.grandir.com/>; <https://www.daynurseries.co.uk/news/article.cfm/id/1581330/frances-biggest-private-nursery-chain>.
- XCv <https://www.autoritedelaconurrence.fr/en/communiqués-de-presse/autorite-de-la-concurrence-clears-acquisition-liveli-daycare-centres-grandir>; <https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/12143160>.
- XCvi <https://www.daynurseries.co.uk/news/article.cfm/id/1587695/frances-leading-nursery-chain-uk-market>
- XCvii <https://kidsandcompany.com/about-us/our-philosophy/>
- XCviii <https://edu.grandir.com/>.
- XCix "Since 1 January 2021 employees in the UK cannot ask for an EWC to be set up, although UK employees may continue to participate in an EWC if the agreement establishing it provides for that" ([https://uk.practicallaw.thomsonreuters.com/2-200-3227?transitionType=Default&contextData=\(sc.Default\)&firstPage=true#:~:text=Since%201%20January%202021%20employees,establishing%20it%20provides%20for%20that.](https://uk.practicallaw.thomsonreuters.com/2-200-3227?transitionType=Default&contextData=(sc.Default)&firstPage=true#:~:text=Since%201%20January%202021%20employees,establishing%20it%20provides%20for%20that.)).

- C <https://pitchbook.com/profiles/company/107130-16#overview>.
- CI <https://www.infanterix.de/en/#:~:text=We%20currently%20employ%20more%20than%20300%20employees%20in%20our%2020%20facilities>.
- CII <https://www.grandiruk.com/wp-content/uploads/2023/04/Modern-Slavery-Statement.pdf>.
- CIII <https://www.people-and-baby.com/>; <https://capitalfinance.lesechos.fr/deals/nos-exclus/people-baby-repasse-entre-les-mains-de-ses-fondateurs-111025>.
- CIV <https://www.people-and-baby.com/>; <https://capitalfinance.lesechos.fr/deals/nos-exclus/people-baby-repasse-entre-les-mains-de-ses-fondateurs-111025>.
- CV <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32024M11401>; <https://www.franklintempleton.com/about-us/our-teams/specialist-investment-managers/franklin-templeton-global-private-equity>.
- CVI <https://www.people-and-baby.com/>; <https://www.people-and-baby.com/qui-sommes-nous/notre-histoire>; Découvrez le réseau de crèches et jardins d'enfants people&baby à l'international (people-and-baby.com).
- CVII <https://www.people-and-baby.com/en/about/our-story>
- CVIII Découvrez le réseau de crèches et jardins d'enfants people&baby à l'international (people-and-baby.com).
- CIX <https://www.people-and-baby.com/qui-sommes-nous/creches-a-l-international>.
- CX <https://www.people-and-baby.com/qui-sommes-nous/creches-a-l-international>.
- CXI <https://www.la-maison-bleue.fr/groupe-international/presentation/>.
- CXII <https://www.pappers.fr/entreprise/icaros-822840690>.
- CXIII <https://www.la-maison-bleue.fr/groupe-international/presentation/>.
- CXIV <https://www.nurseryworld.co.uk/news/article/french-nursery-group-la-maison-bleue-seals-first-uk-deal>
- CXV <https://www.oxfordmail.co.uk/news/17468870.old-station-nursery-group-bought-la-maison-bleue/>
- CXVI <https://nmt-magazine.co.uk/buckinghamshire-nursery-group-sold-to-la-maison-bleue/>
- CXVII <https://www.nurseryworld.co.uk/news/article/new-chief-exec-for-old-station-nursery-group>; <https://www.theoldstationnursery.co.uk/our-group/mergers-and-acquisitions/>.
- CXVIII <https://www.la-maison-bleue.fr/groupe-international/presentation/>.
- CXIX “Since 1 January 2021 employees in the UK cannot ask for an EWC to be set up, although UK employees may continue to participate in an EWC if the agreement establishing it provides for that” ([https://uk.practicallaw.thomsonreuters.com/2-200-3227?transitionType=Default&contextData=\(sc.Default\)&firstPage=true#:~:text=Since%201%20January%202021%20employees,establishing%20it%20provides%20for%20that.](https://uk.practicallaw.thomsonreuters.com/2-200-3227?transitionType=Default&contextData=(sc.Default)&firstPage=true#:~:text=Since%201%20January%202021%20employees,establishing%20it%20provides%20for%20that.)).
- CXX <https://rockids.lu/en/who-we-are/>.
- CXXI The era of low interest rates is ending – its legacy is inequality and toxic politics <https://www.theguardian.com/commentisfree/2022/sep/21/era-low-interest-rates-legacy-inequality-toxic-politics>
- CXXII <https://www.towerbrook.com/our-portfolio/>
- CXXIII <https://www.towerbrook.com/towerbrook-structured-opportunities-announces-investment-in-la-maison-bleue/>



The European Federation of Public Service Unions (EPSU) brings together trade unions from across Europe. We influence the policies and decisions of employers, governments, and European institutions that affect public service workers, their families, and communities. We mobilise for action and change and are committed to achieving another, social Europe.

The European Federation of Public Service Unions (EPSU) represents 8 million public service workers across Europe. We are the strong trade union voice that workers need, whether that's with employers, the European Parliament, the Commission, or national governments.

www.epsu.org