



W H I T E H O R S E  
*Child Care Limited*

SRL/gh/WHCC3547

2 July 2013

Mr R Webb  
Secretary to the  
Low Pay Commission  
6<sup>th</sup> Floor  
Victoria House  
Southampton Row  
London  
WC1B 4AD

Dear Mr Webb

**Re: Consultation on the National Minimum Wage**

We respond to the bullet pointed questions attached to your letter of 27<sup>th</sup> June 2013, as follows in the order listed:

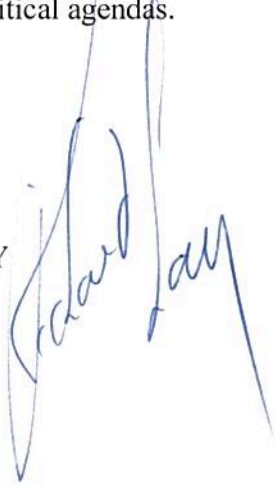
- The economy is fragile and has many downward risks. Employment in our sector will decrease with reduced demand now being experienced and expected throughout 2014 and 2015.
- The minimum wage has eliminated training positions in our day care nurseries. We now only employ fully qualified staff, or suitable graduates 21 years old and over.
- The minimum wage has massively increased youth unemployment and severely reduced employment prospects due to the reduction of differentials and ongoing work needs of existing and older employees.
- We do not employ apprentices.
- We do not have accommodation offsets.

- Parents are using family and friends more to look after their children causing a significant and growing reduction in available childcare demand. There is no non-compliance as we are aware of no payment that passes between their parties.
- The minimum wage should be removed and natural market forces should be allowed to set the rates of pay.
- The minimum wage has caused substantial increases in cost of childcare to parents every year and has reduced the available capacity that would have existed.

It is for government to support low earners, it is not appropriate to distort the childcare and other markets with political agendas.

Yours sincerely

**RICHARD LAY**

A handwritten signature in blue ink, appearing to read 'Richard Lay', is written over the typed name. The signature is stylized and somewhat cursive.