

The Nordic Child Care Model - components, investments and outcomes



Key note speak at conference 'Scandinavian Childcare – Making it Happen', EU Parliament House, Dublin, March 4, 2013

Tine Rostgaard, Professor,
Department of Political Science, Aalborg University



AALBORG UNIVERSITET

Overview

- Definition of Early Childhood Education and Care (ECEC)
- Gender equality and dual earner/dual carer as underscoring idea
- Approach to ECEC in Scandinavian/Nordic countries
- Parental leave and childcare
- ECEC models
- The social investment paradigm and ECEC
- Evidence for ECEC - outcome factors

Parental leave, childcare and gender equality in the Nordic countries



Editors: Ingólfur V. Gíslason
and Guðný Björk Eydal, 2012.

Other contributors are Berit
Brandth, Ann-Zofie Duvander,
Johanna Lammi-Taskula and
Tine Rostgaard

Definition of ECEC

Early Childhood Education and Care (ECEC) include:

- “all *government activities* designed to influence the **supply** of and/or **demand** for ECEC and the **quality** of services provided
- including **direct delivery of services, direct and indirect financial subsidies** to private providers,
- but also **financial subsidies** to parents both direct and indirect and **cash benefits** that enable parents to stay at home to look after their children”

(Kammerman, 2000)

Gender equality and best interest of the child as underscoring idea for development of ECEC

Gender equality and the dual earner/dual carer an important rationale for the establishment and further development of childcare and parental leave benefits

Although initially more pragmatic approach to childcare with emphasis on women's labour force participation, today also emphasis on father's rights to participate in childcare and on the benefits for the child.

Strong political agency for gender equality: women in grassroots organizations and national politics, Social democratic and other left-wing political parties, academics, and men in government commissions and grassroots organizations

Also strong emphasis on agenda of best of the child: strong labour union of pedagogues, in DK influencing the development of institutionalised childcare

Nordic countries highest coverage rates in childcare, especially among the under-3s. And among the first to introduce parental leave and the pioneers (Norway) in introducing the father's quota

Approach to Early Childhood Education and Care in the Nordic countries: **Maternity, paternity and maternal leave**

- Paid parental leave of short/medium duration
- Home Care Allowance (HCA), but of varied importance
- Father's quota

Leave time with income-related compensation, no of weeks.

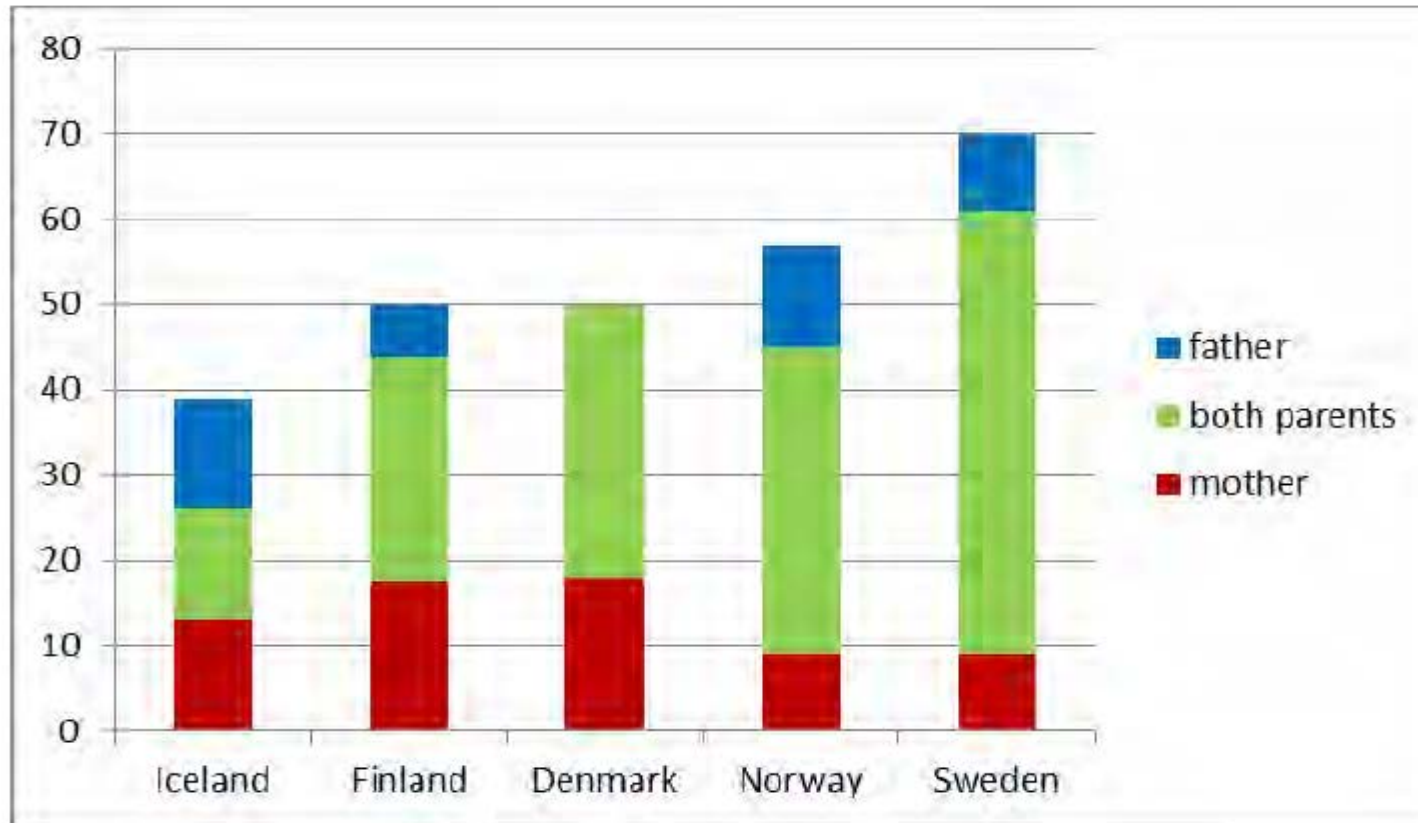


Figure 1. Parental leave length in the Nordic countries in 2010 (number of weeks on income-related compensation).

Source: Duvander & Lammi-Taskula, in Gislason & Eydal, 2012



Total length of leave and HCA time parents can spend with child, no. of months

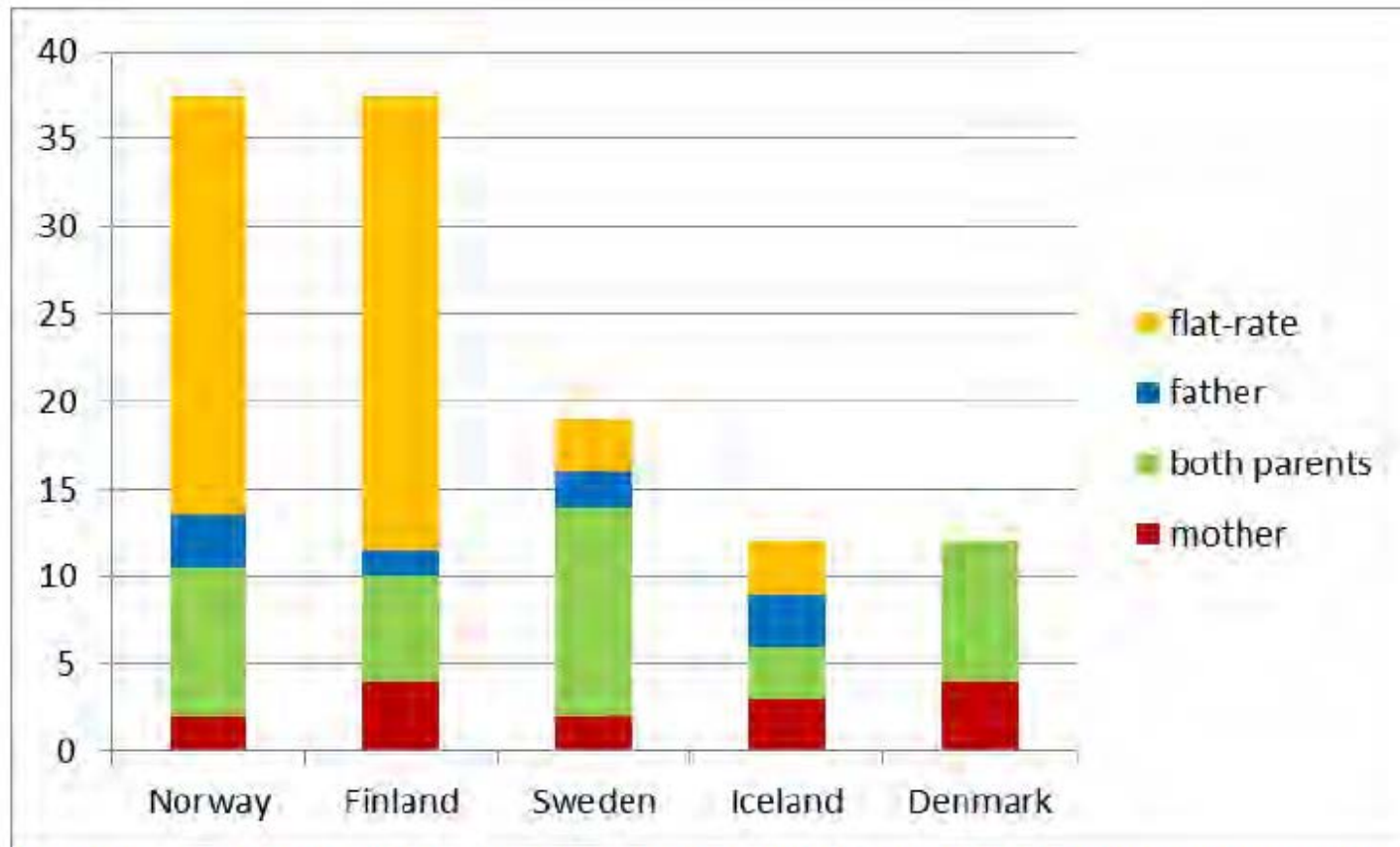


Figure 2. Length of childcare leave in the Nordic countries (number of months on income-related, flat rate, or no compensation).

Source: Duvander & Lammi-Taskula, in Gislason & Eydal, 2012



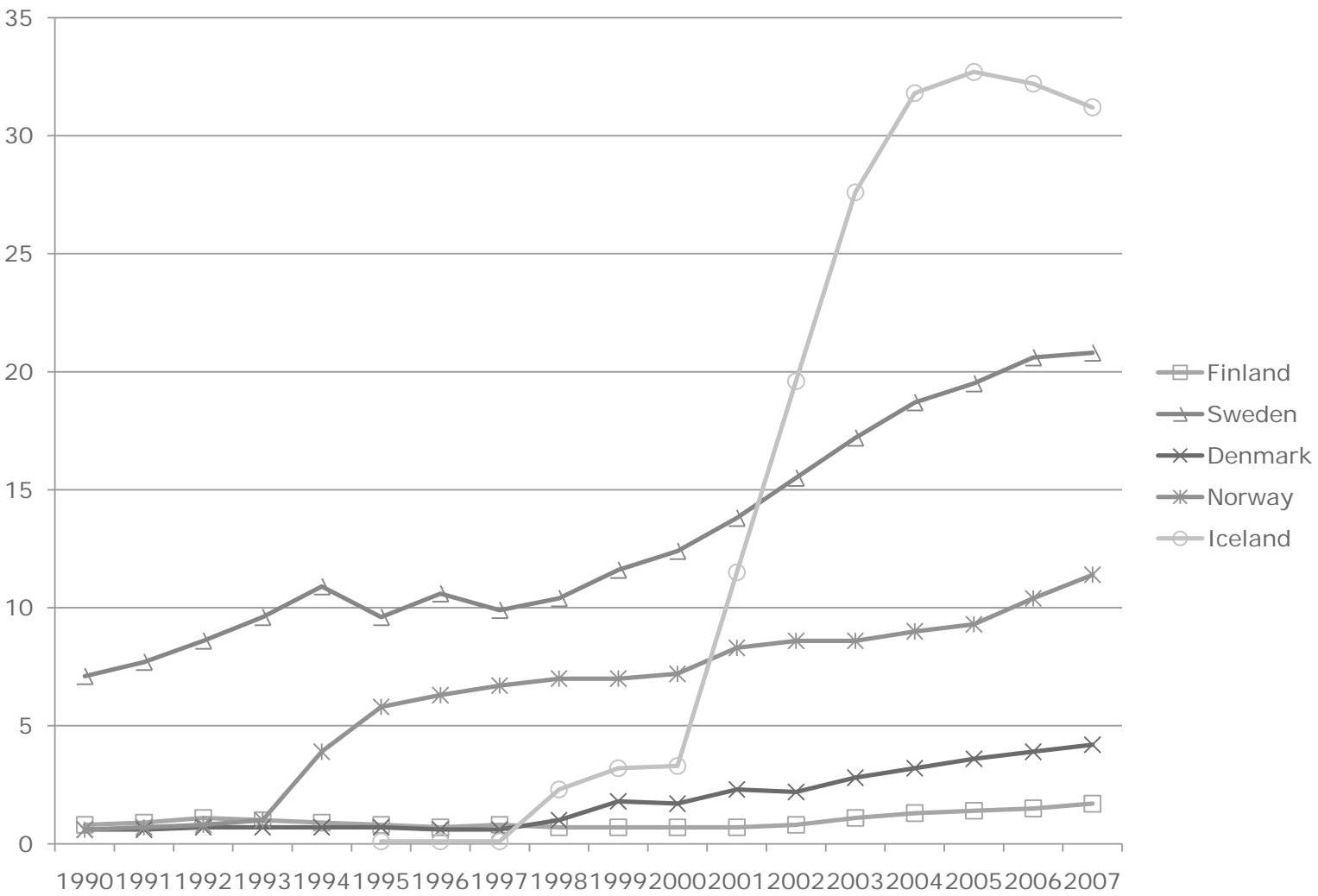
Father's quota: Length and year of introduction

	Denmark	Finland	Iceland	Norway	Sweden
Father's quota, year	1997-2002	2003	2001	1993	1995
Length of father's quota	2 weeks	4 weeks*	12 weeks (in 2016, 5 months)**	14 weeks	2 months

Source: Eydal and Rostgaard, 2010. Note: legislated leave with payment. * Bonus on top of available leave. ** As of 2016, 5 father's quota months (5+5+2 months)



Fathers share of parental leave days



(Source: Haataja, 2009)

Tine Rostgaard



Approach to Early Childhood Education and Care in the Nordic countries: Childcare

- Universal approach in services
- Organised as institutional care (0-2, 3-school age or age-integrated) or childminding (mainly 0-2s)
- Full-time and part-time care, all-year round
- Care and education integrated
- Mainly public provision of services
- Right to day care, in DK from age of ½ year, in N from age of 1
- Mainly tax-based financing supplemented by parental fees
- Reduced or waived fee for low-income groups
- ...but parental fee for care for 3-school age
- Quality and safety regulation in institutions and with childminders
- Childminders employed by municipality, compulsory training
- Free play although schoolification in last decade
- Investment in care for the youngest children
- Using the nature and being out-door





08.03.2013

Childcare: From institutions for few- to preschool for all

- Originally, childcare institutions were established for special groups of children
- After the Second World War, childcare became a public and a political issue in the Nordic countries
- Shift of policy ideals: The benefits of pre-school education for all children emphasized



Nursery in Kolding, 1906

Childcare and gender equality project

- 1960s and 1970s: The Nordic gender-equality project encouraged women's participation in the labour market
- All the countries developed extensive policies in order to enable equality among both men and women
- Public day-care services: Denmark first to address day care in legislation (1964), followed by Finland, Iceland and Sweden (1973) and later Norway (1975)
- Services based on universal principles, and heavily subsidized and regulated by the public sector. Local authorities gained great autonomy regarding the volume of day care. Day care guarantee
- In spite of these similarities different levels of provision can be observed



Take-up of day care, % of different age groups, 1995, 2000, 2010

	Age groups	1995	2000	2010
Denmark	< 1 years	-	15	17
	1-2 years	48	77	90
	3-5 years	83	92	98
Finland	< 1 years	-	2	1
	1-2 years	18	35	41
	3-5 years	55	72	73
Iceland	< 1 years	-	7	7
	1-2 years	37	59	80
	3-5 years	64	92	95
Norway	< 1 years	-	2	4
	1-2 years	22	37	79
	3-5 years	61	78	96
Sweden	< 1 years	-	(0)	(0)
	1-2 years	37	60	70
	3-5 years	74	86	97

Note day care includes both family day-care which is usually used for the youngest children and day care in preschools. Source: NOSOSKO 2007-8, 2009; NOSOSKO 2009-10, 2011.

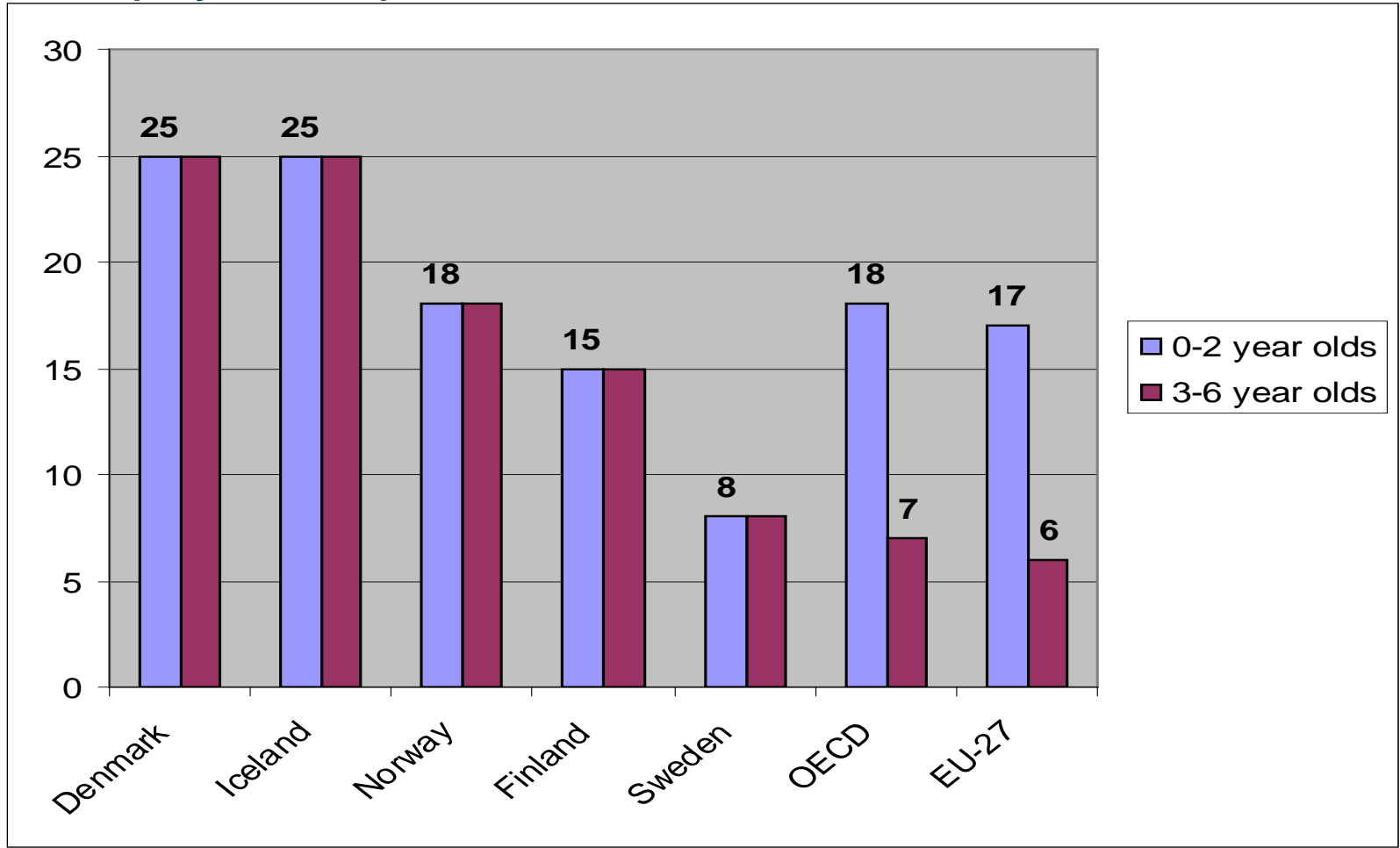
Recent decades: Politics of child care services

- During 1990s and into the next millennium increasing volumes of day care – public and institutionalised childhood ‘
- Focus on the educational aspects of day care – EduCare model (OECD)
- Socialisation and integration – the day care institution as the bearer of cultural values and promoter of language skills
- Mainly institutional care, but some childminder care for the smaller children
- Universalism, but regional disparities
- Focus on the cost for families

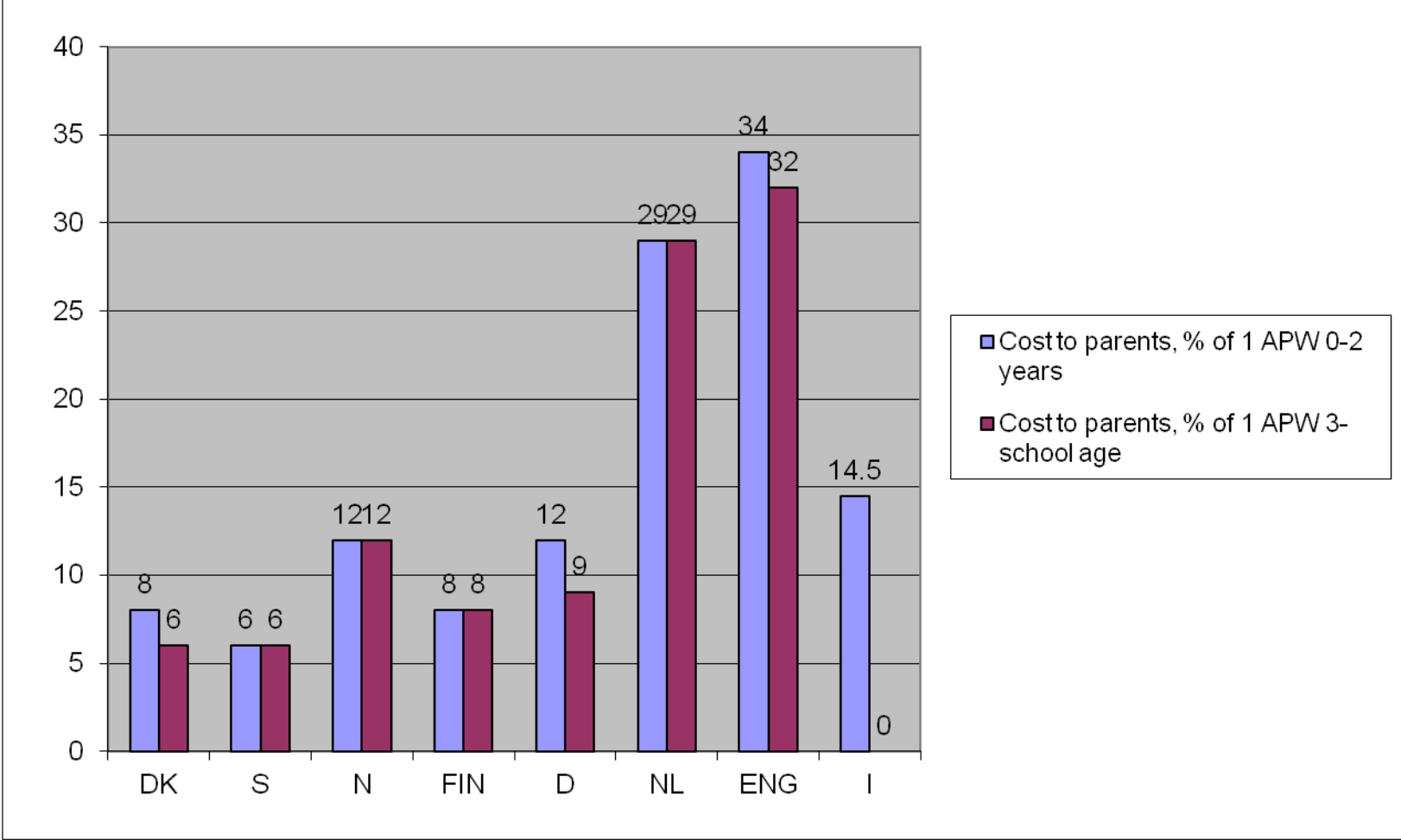


Financing of child care – high user share in Nordic countries

User payment, parents share of total costs, %



...but parents pay less in % of average earnings



Source: Eydal and Rostgaard, 2010

Quality of care increasingly an issue

No apparent Nordic model for smaller children in terms of child:staff ratio.
More distinct for older children

Child:staff ratio: no of children per staff member		
	0-2 years	3-school age
Denmark	3,3	7,2
Finland	4,0	7,0
Norway	5,5	8,0
Sweden	5,2	5,5
Germany	NA	15,0
Italy	7,0	14,0
England	3,5	8,0

Source: Eydal and Rostgaard, 2010

Quality concerns in Denmark

- Fewer staff members over time
- However, quality less an issue about child:staff norms, than of:
 - 1) quality of staff basic education,
 - 2) quality of pedagogical approach,
 - 3) systematic continued training of staff(Nordahl et al, 2012)
- 1/3 of kindergartens now take in children below the age of 3
- 50 % of nurseries now do not provide a warm meal



Affordability and quality

Share of people who think that:			
	<i>Child care is affordable (Very + Fairly)</i>	<i>Child care is of good quality (very good + fairly good)</i>	<i>Support for public and private day care centre/pre-school</i>
Denmark	59	81	71
Germany	50	62	34
Netherlands	40	71	47
UK	30	51	30
EU27	41	54	44



How is the child cared for best?

	Share of people who think that the form of childcare is the best way of organising childcare for children aged 0-3, % (Multiple answers possible)			
	<i>Public and private day care centre/pre-school</i>	<i>Childcare predominantly by the mother</i>	<i>Childcare by both the mother and the father</i>	<i>Childcare by grand-parents or other relatives</i>
Denmark	71	16	28	10
Germany	34	38	49	20
Netherlands	47	18	52	34
UK	30	27	40	20
EU27	44	33	39	23

Source: Eurobarometer, 2010



And even good enough for a prince...



Prince Christian on his first day
in the nursery

Addition building for bodyguards

Typical Danish childcare 'career'

- **0-12 months: at home with parents**
- **1 year: nursery (childminders)**
 - Full-time (and part-time), 6/7 a.m.-5/6 p.m.
 - Parental payment: 420 Euro monthly full-time (Family day care 317 Euro monthly), incl. meal
- **3-5/6 years: kindergarten**
 - Full-time (and part-time), 6/7 a.m.-5/6 p.m.
 - Parental payment 277 Euro monthly full-time, incl. meal



The Nordic child care model, 2010

	Denmark	Finland	Iceland	Norway	Sweden
0-1 year	Paid parental leave (50-64 weeks) Day care services (17%)	Paid parental leave (44 weeks) Day care services (1%)	Paid parental leave (39 weeks) Day care services (7%)	Paid parental leave (*42-52 weeks) Day care services (4%)	Paid parental leave (69 weeks) Day care services (-)
1-2 year	Day care services (90%) (Cash-for-care)	Cash-for-care Day care services (41%)	Care gap – private solutions Municipal schemes of cash-for-care Day care services (80%)	Cash-for-care Day care services (79%)	Paid parental leave Municipal schemes of cash-for-care Day care services (70%)
3-5 year	Day care services (98%)	Day care services (73%)	Day care services (95%)	Day care services (96%)	Day care services (97%)

Source: NOSOSKO, 2009 and updates. *In 2010 42-52 weeks.

ECEC models

ECEC models

- **Universalist countries of Northern Europa:** Societal approach to daycare encompasses the full-employment paradigm. State/LA organise and provide parental leave, childcare and family-friendly jobs.
- **Central Europe:** Long leave schemes with low or no pay. Germany as an exception
- Countries belonging to residual/Liberal model as in **UK/Ireland:** Encouragement of female labour take up but no public and/or subsidized provision of day care
- **Eastern Europe:** Day care replaced by extended leave schemes

The Social Investment perspective

Goals:

- Moving from 'repair' to 'prepare': Increase social inclusion, minimize intergenerational transfer of disadvantage and increase employability

Outcome:

- Enabling individuals and families to maintain responsibilities for their well-being
- Alleviate threat to social protection regimes coming from ageing societies and high dependency rates

Policy response:

- Privileges state investment in human capital, investment in children and making work pay (Jensen, 2009)

Social investment strategy and specific EU targets and policy measures on childcare

- Contingent convergence around ideas about a **developmental welfare state**, that depends in large part on a **child-centred social investment strategy** and a **human capital investment push** (*Social policy as a productive factor* (Dutch Presidency of 1997); *Amsterdam treaty*, 1999; *Lisbon Agenda*, 2000)

Barcelona targets of 2002:

- By 2010 MS should provide child care for at least **90 per cent** of children aged three to the mandatory school age, and **33 per cent** of children below the age of three

ET2020 meeting for EU education ministers, in 2009:

- By 2020 at least **95% of children** between 4 years old and the age for starting compulsory primary education should participate in early childhood education

EC (Com) (2011) 66 Communication on ECEC: Calling for policy cooperation. Too much focus on quantity: “need to improve ECEC across the EU by complementing the existing quantitative targets with measures to improve **access** and to ensure the **quality** of provision”



Continuous societal 'investment'

Unlike other policy fields, overall increase in spending on ECEC (Lohmann, Rostgaard and Spiess, 2009). No sign of welfare state retrenchment

DK example:

Public expenditure for childcare per child family:

Increased from 1.150 Euro annually in 1995, to 7.170 Euro annually in 2005 (2005 figures), equaling an increase of 5.3 %.

Total public expenditure on childcare:

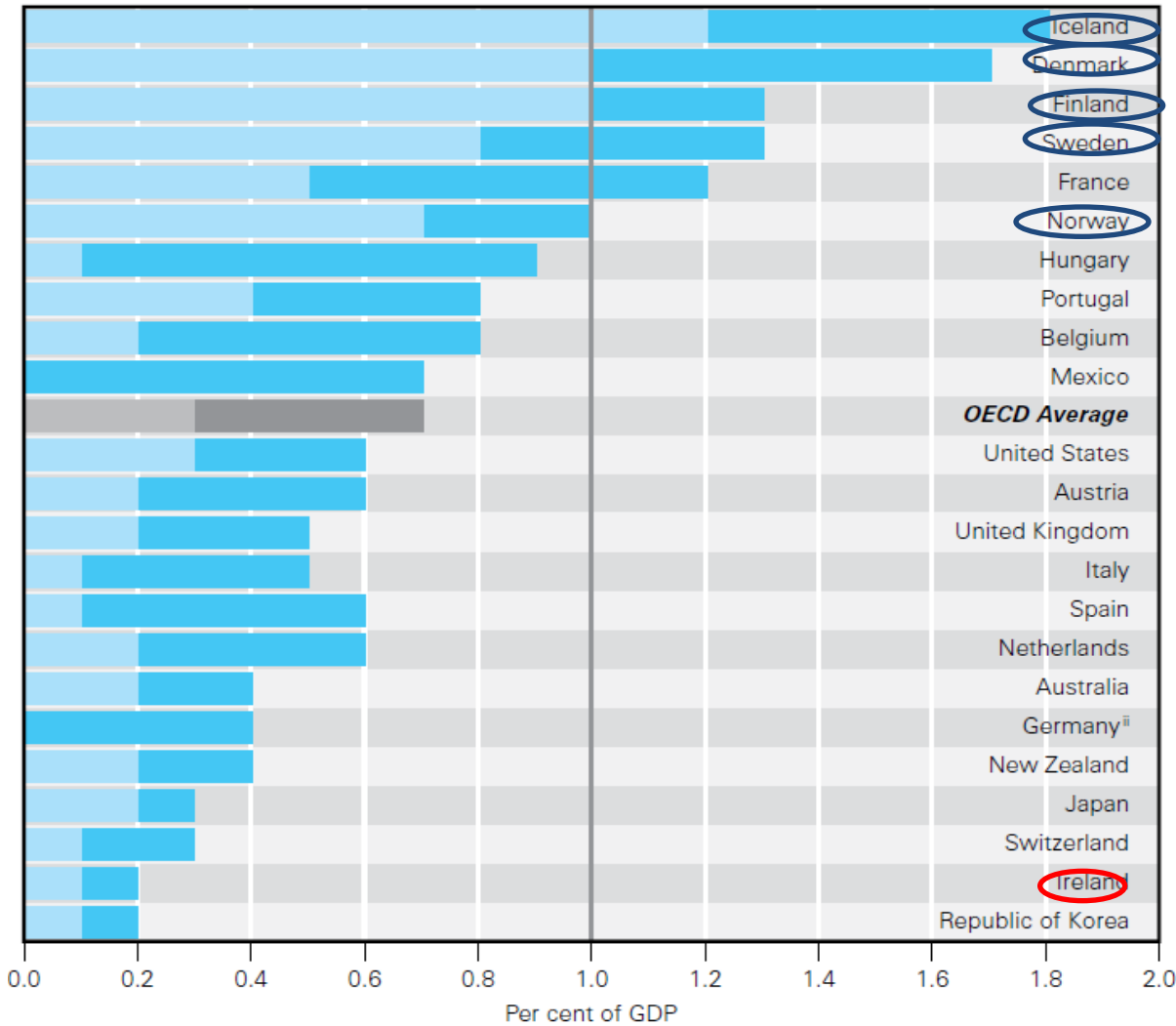
Excl. parental payment, total public expenditure in 2005 was 3.2 billion Euro (Bonke 2009), aprpx. 1.7 % of GDP (OECD).

(Total net social expenditure (i.e. including taxes and social contributions) 25.7% of GDP in DK, compared to 18.3% in Ireland, (Adema, W. and M. Ladaique, 2009))



ECEC expenditure, % of GDP

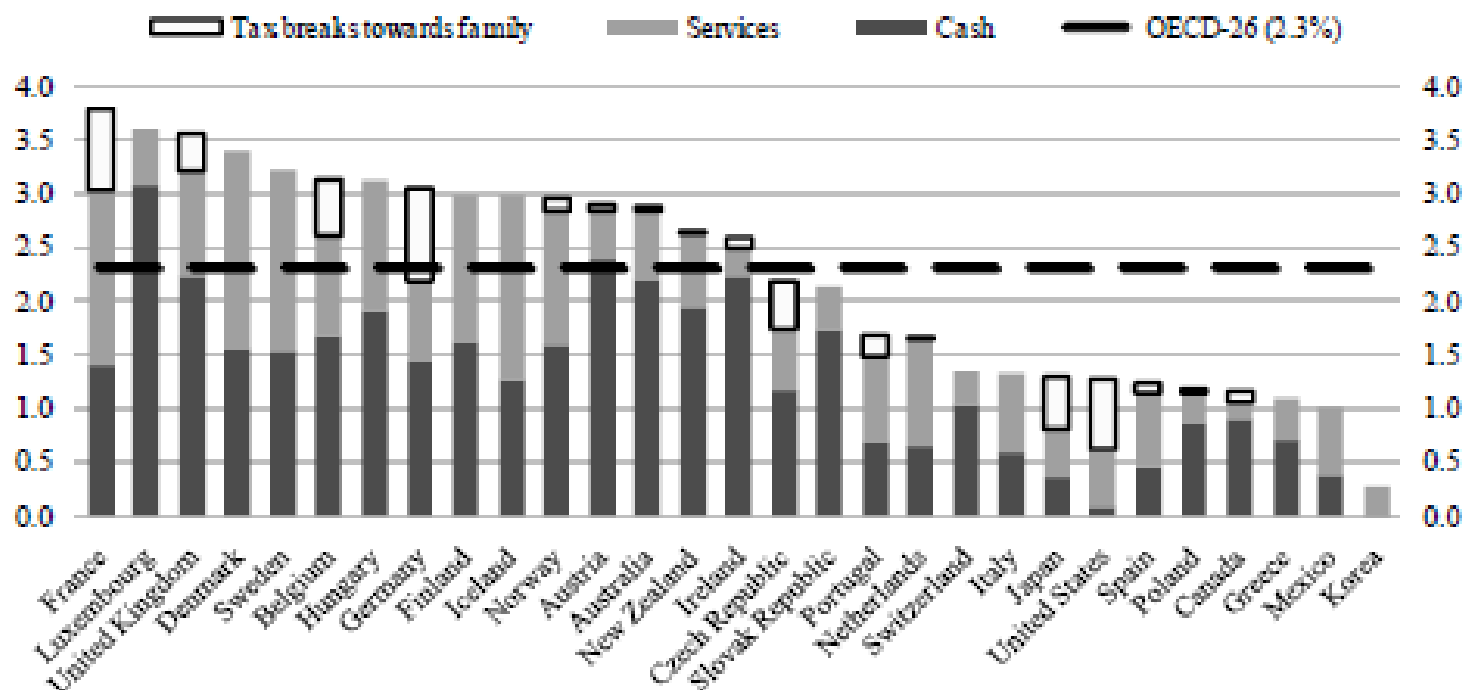
Public expenditure on child care and pre-school education services, per cent of GDP¹, 2003



Child care
Pre-school education

Source: OECD (2007), Social Expenditure database 1980-2003.

Family spending in cash, services and tax measures, in percentage of GDP, in 2005 or latest year available



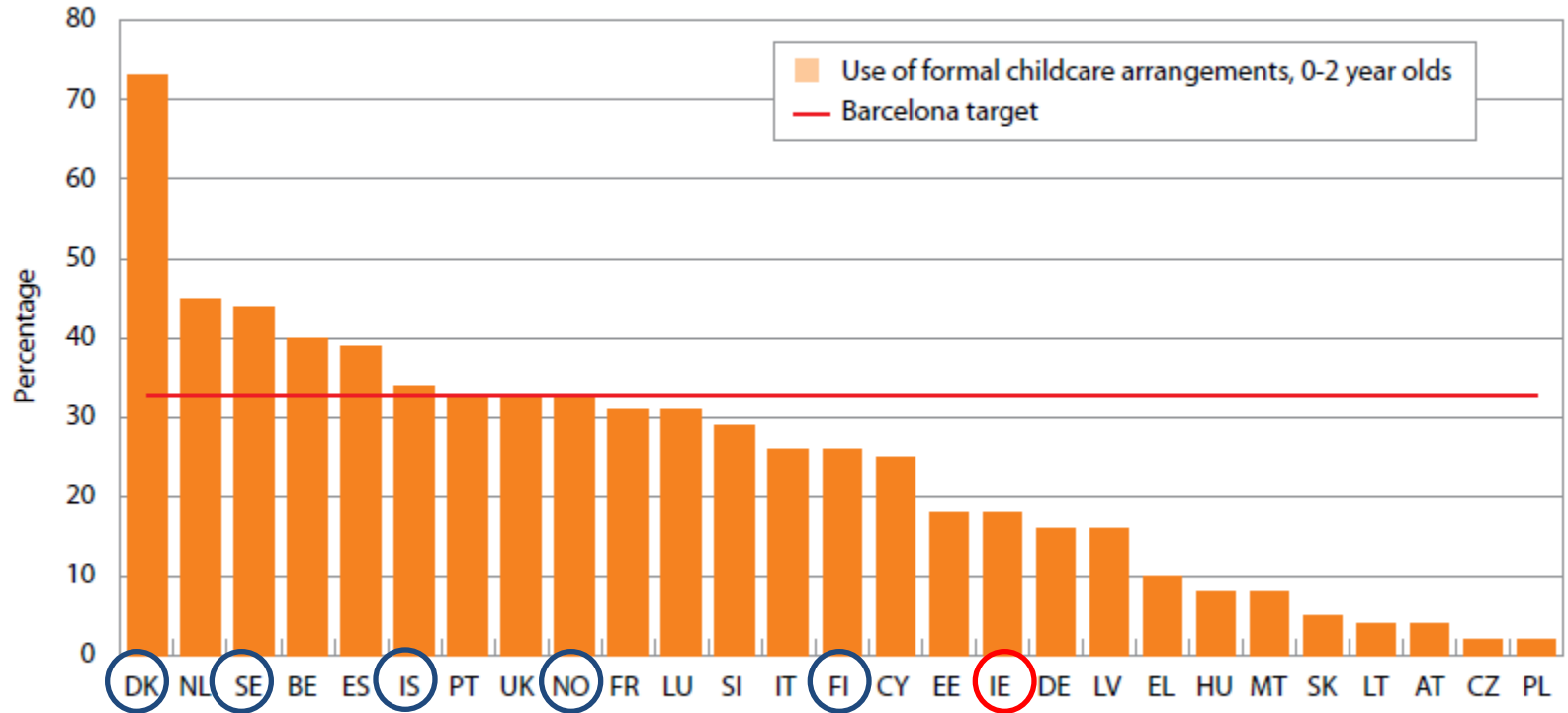
Notes:

- Public support accounted here only concerns public support that is exclusively for families (e.g. child payments and allowances, parental leave benefits and childcare support). Spending recorded in other social policy areas as health and housing support also assists families, but not exclusively, and is not included here;

Source: Adema, W. and M. Ladaique (2009), "How Expensive is the Welfare State?: Gross and Net Indicators in the OECD Social Expenditure Database (SOCX)", *OECD Social, Employment and Migration Working Papers*, No. 92, OECD Publishing. <http://dx.doi.org/10.1787/220615515052>

ECEC take-up rate, 0-2 year-olds

Graph 9. Use of formal childcare arrangements, 0–2-year-olds



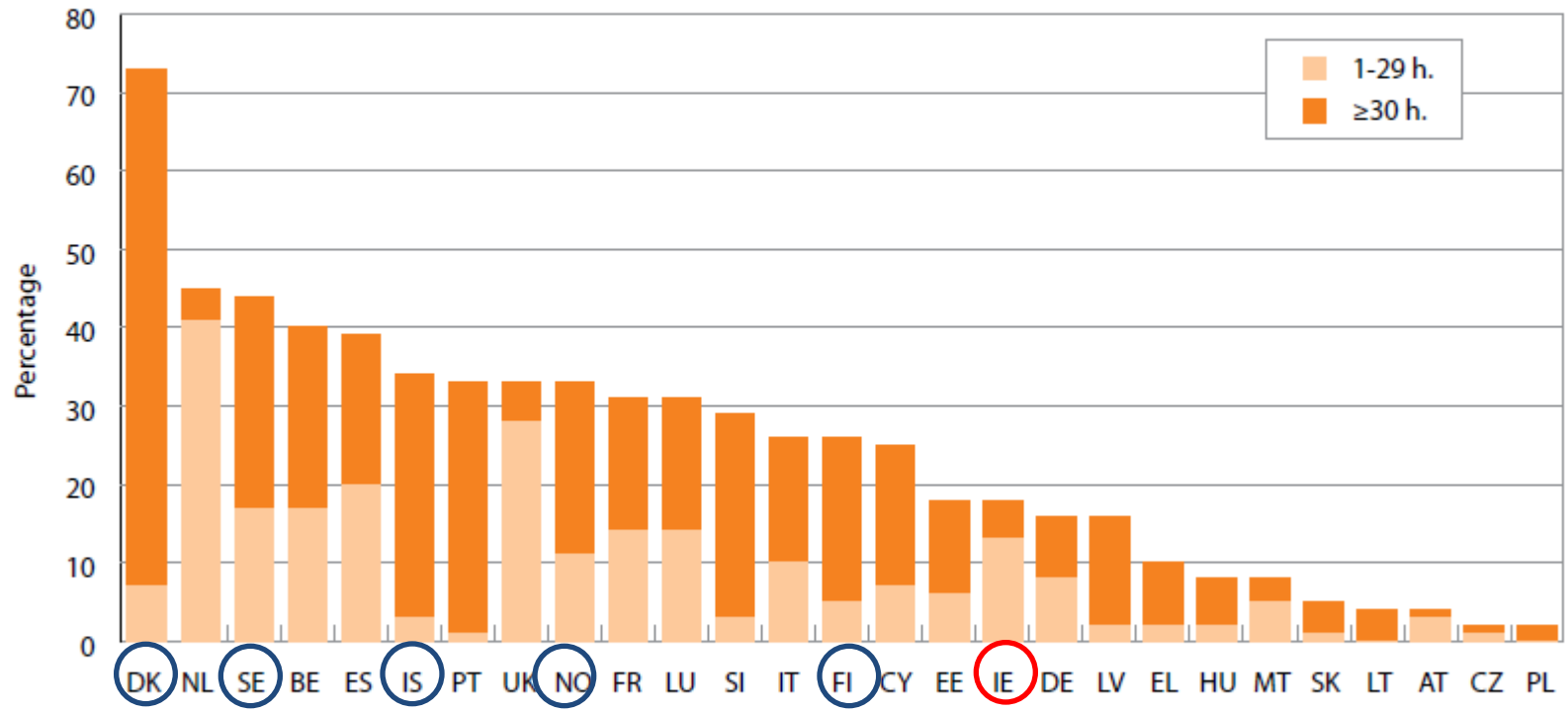
Source: Eurostat, EU-SILC 2006 (provisional). Data for DE and NO: EU-SILC 2005. BG, RO and LI: not available.

(Plantenga and Remery, 2009)



Hours of ECEC, 0-2 year-olds

Graph 12. Use of formal childcare arrangements by hours, 0–2-year-olds



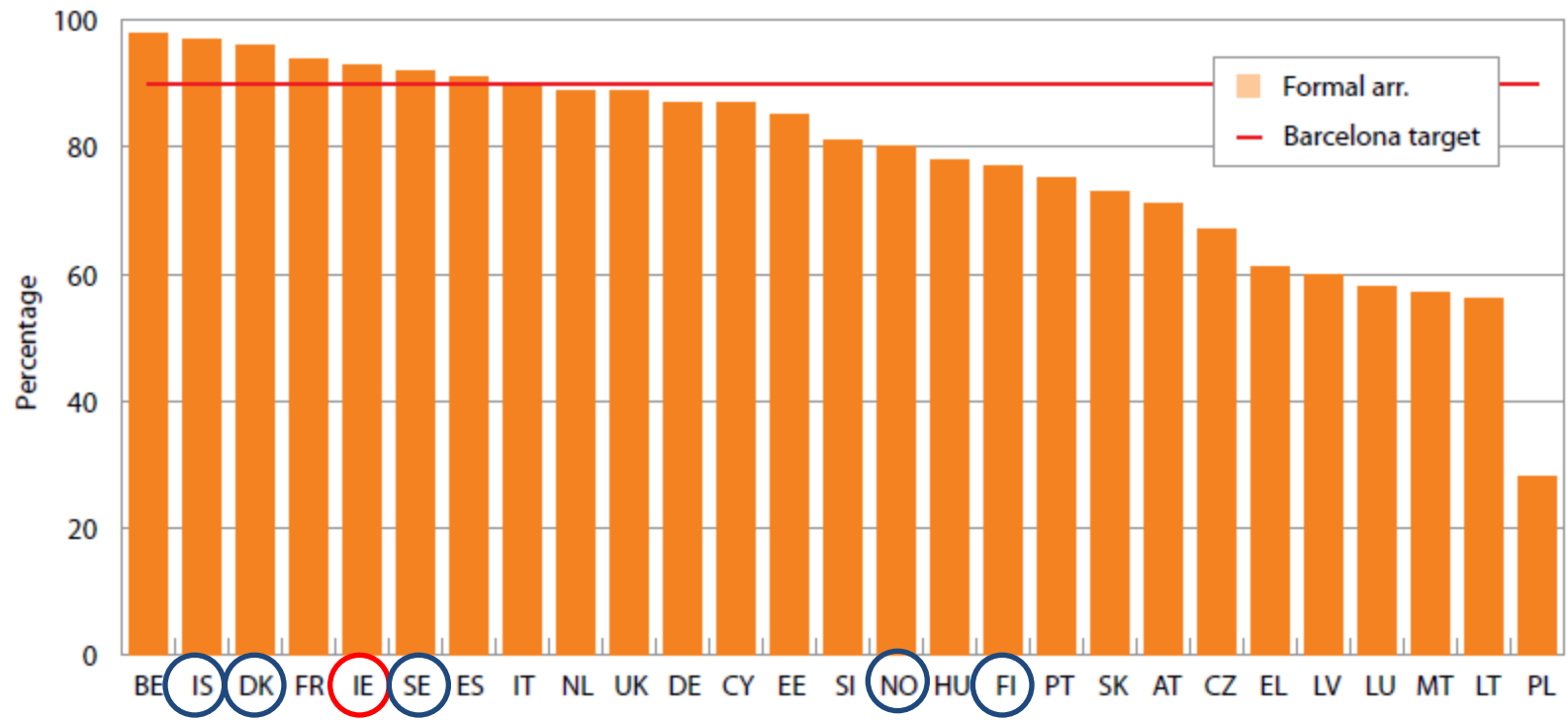
Source: Eurostat, EU-SILC 2006 (provisional). Data for DE and NO: EU-SILC 2005. BG, RO and LI: not available.

(Plantenga and Remery, 2009)



ECEC take-up rate, 3-school age

Graph 15. Use of formal childcare arrangements, 3 years to mandatory school age



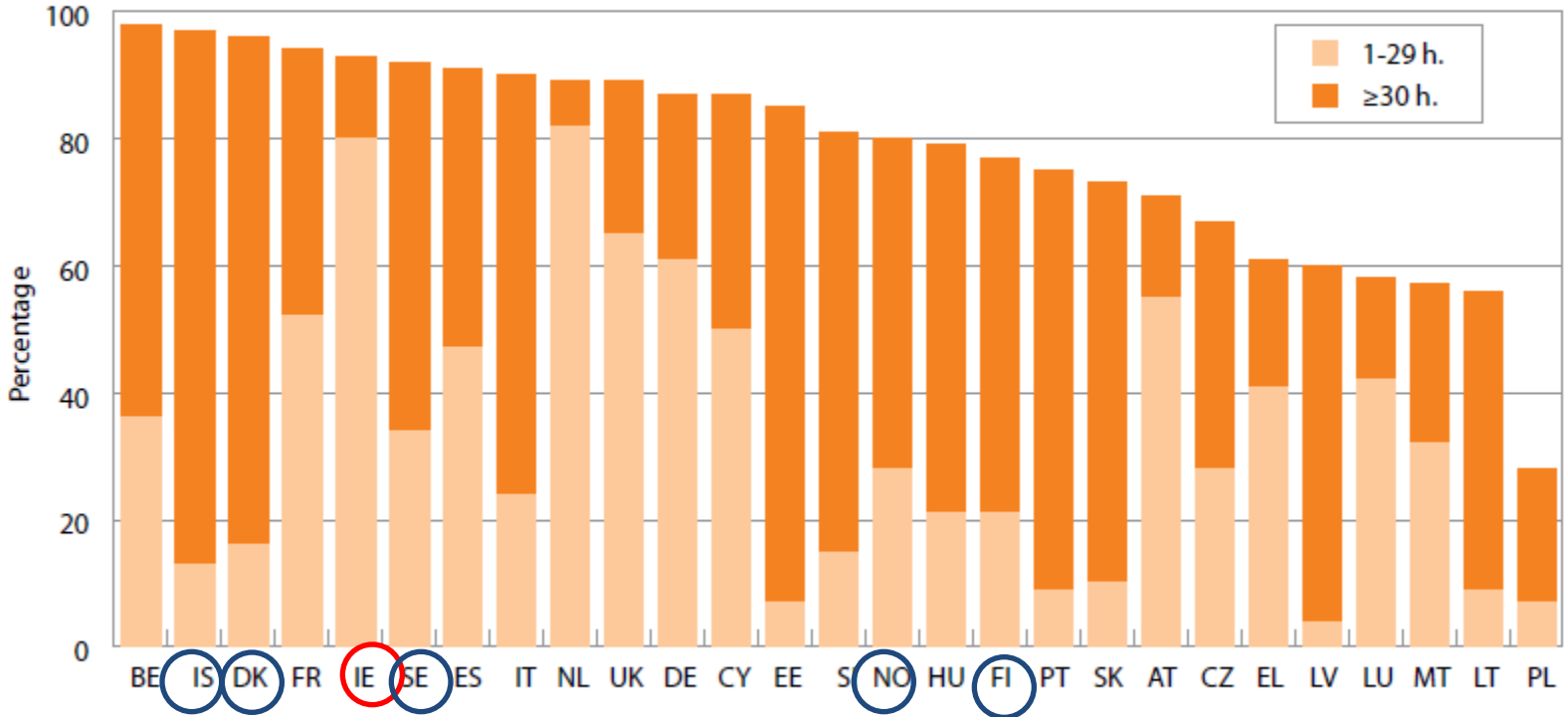
Source: Eurostat, EU-SILC 2006 (provisional). Data for DE and NO: EU-SILC 2005. BG, RO and LI: not available.

(Plantenga and Remery, 2009)



Hours of ECEC, 3-school age

Graph 17. Use of formal childcare arrangements by hours, 3 years to mandatory school age



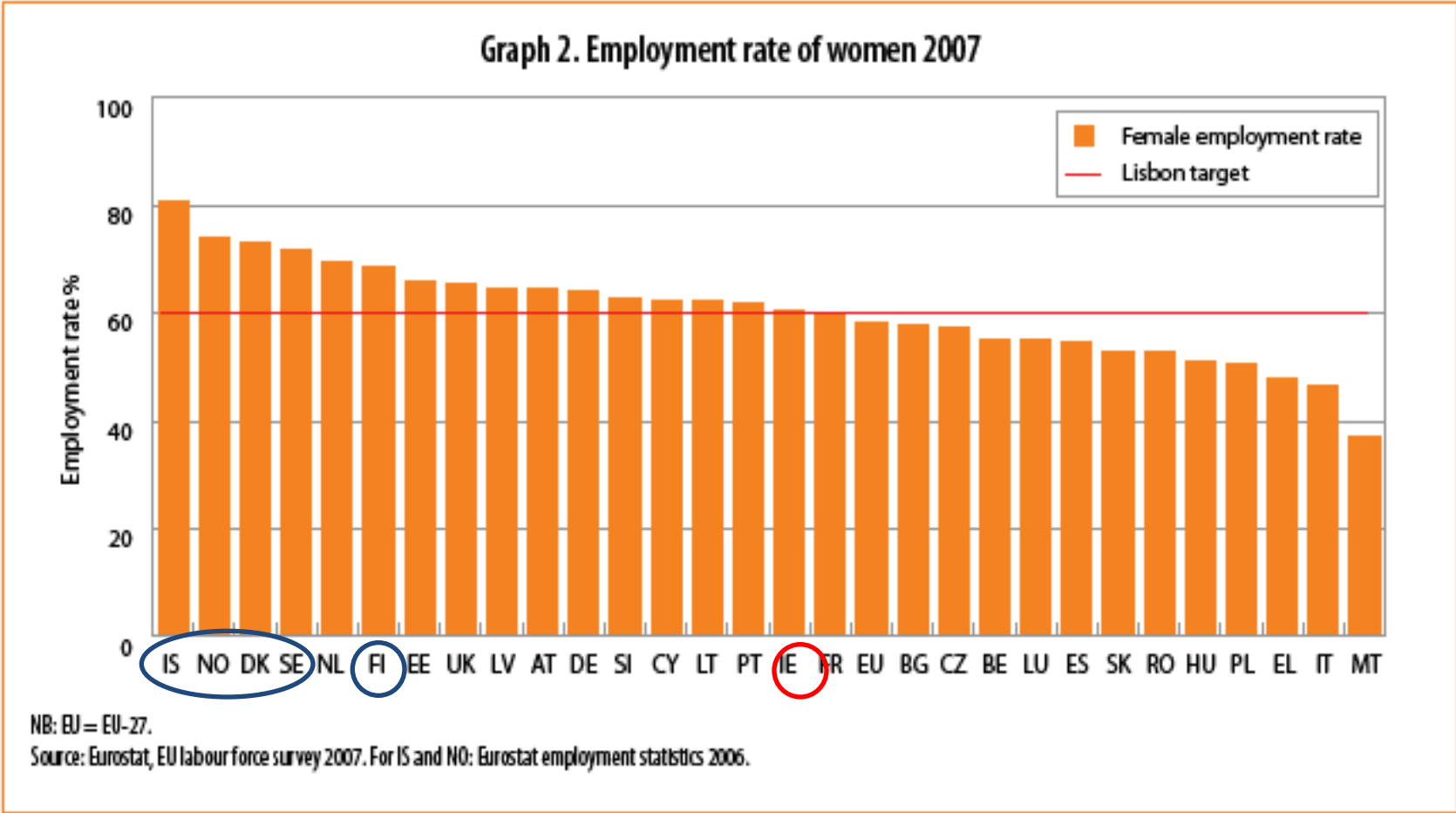
Source: Eurostat, EU-SILC 2006 (provisional). Data for DE and NO: EU-SILC 2005. BG, RO and LI: not available.

(Plantenga and Remery, 2009)



Evidence of ECEC?

Female employment rate?



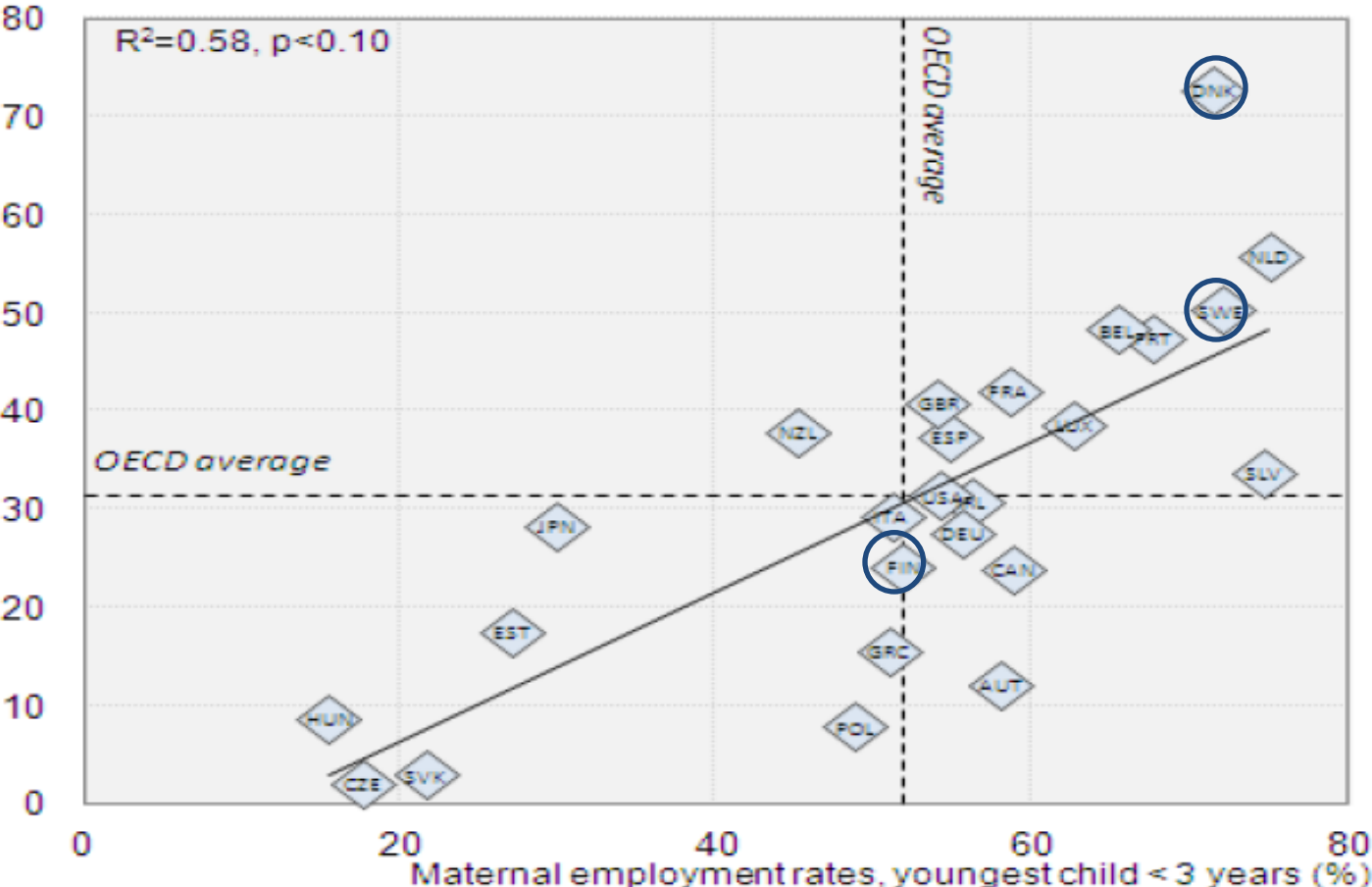
(Plantenga and Remery, 2009)



Effect on maternal employment?

Figure 2: Childcare enrolment facilitates maternal employment

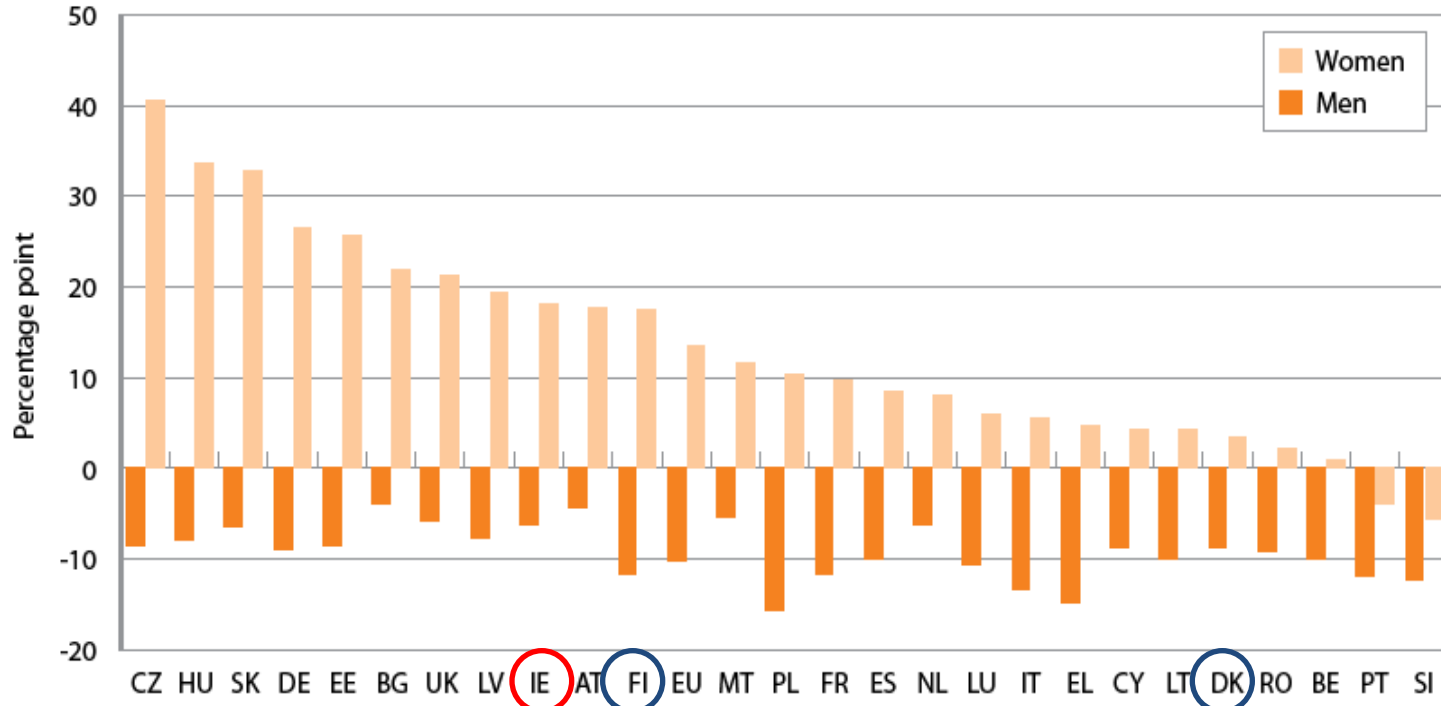
Childcare enrolment rates, children <3 years (%)



Source: OECD (2011), *Doing Better for Families*.

Does parenthood affect employment?

Graph 4. Employment impact of parenthood on men and women 2006



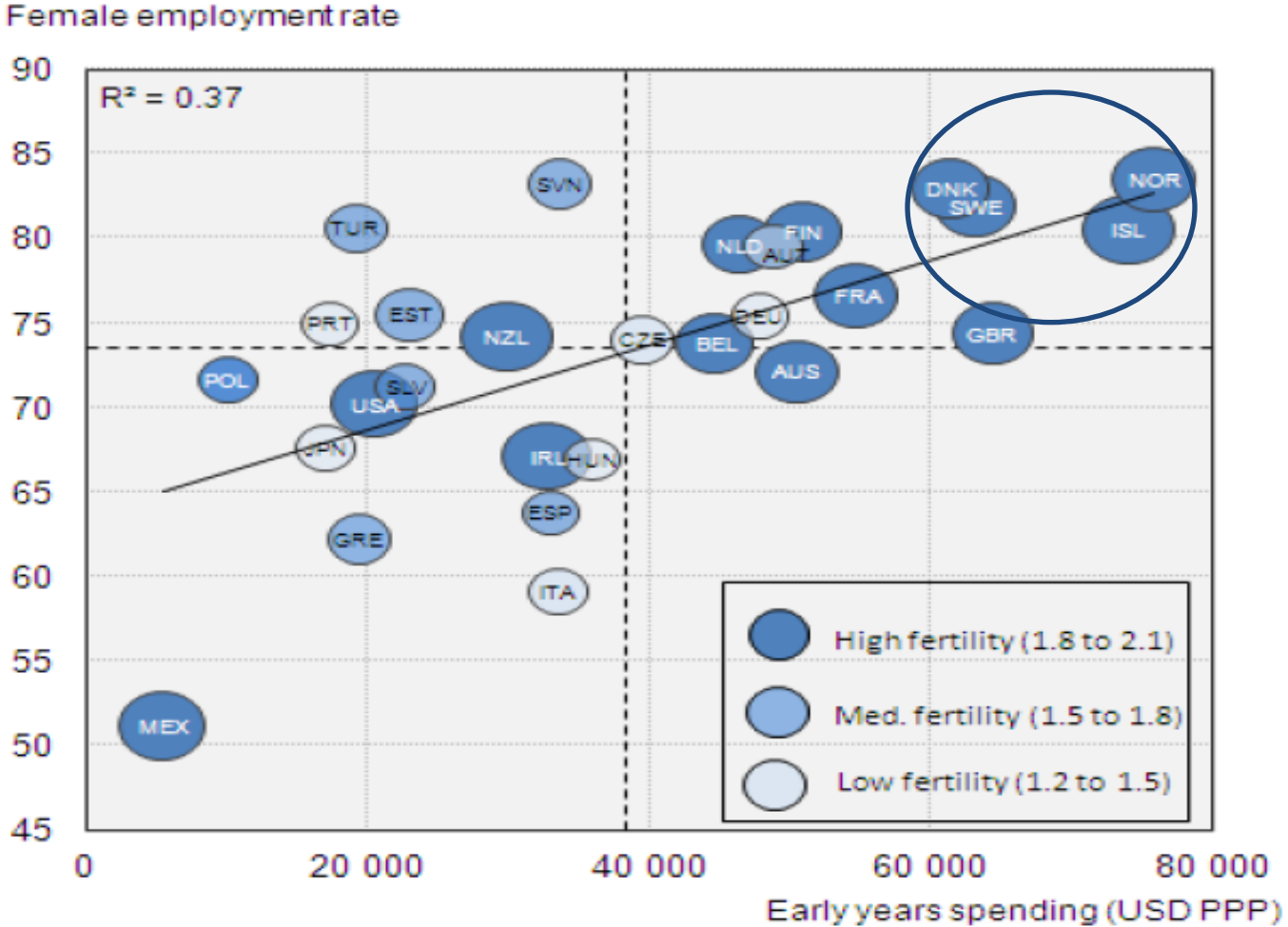
Source: Eurostat, EU labour force survey 2006.

(Plantenga and Remery, 2009)



Does ECEC affect fertility?

Figure 3: Early childhood spending can help promote female employment and fertility



Source: OECD (2011), *Doing Better for Families*.

The Telegraph

12 August 2012

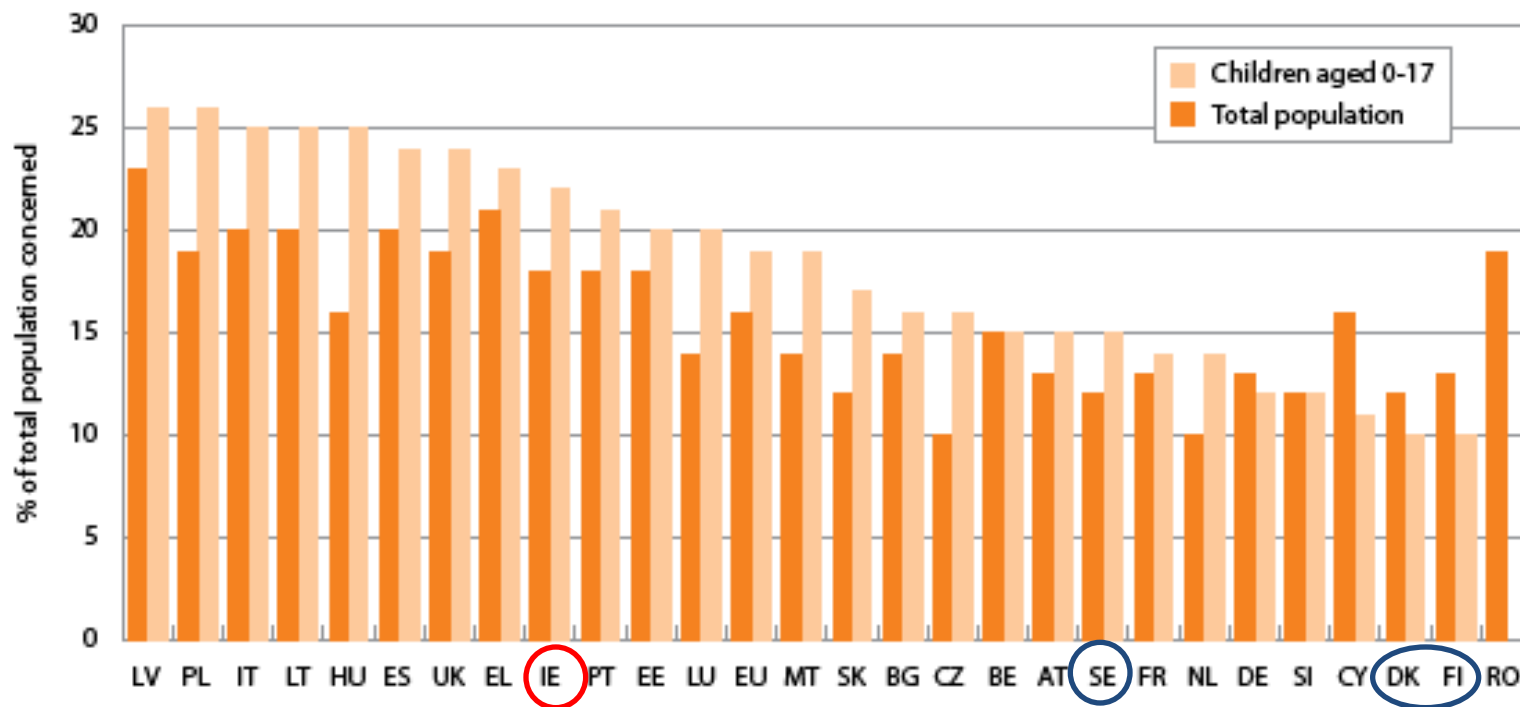


Danish nurseries offer free childcare so parents can make more babies

A group of Danish nurseries has come up with a novel way to help the country's low birth rate – offering parents an evening of free child care so they can go home and make more babies.

Does ECEC affect child poverty?

Graph 8. At risk of poverty rate for children aged 0–17 years and total population 2006



NB: EU = EU-25 estimate.

Source: Eurostat, EU-SILC 2006. BG and RO national HBS 2006. IS, LI, NO: not available.

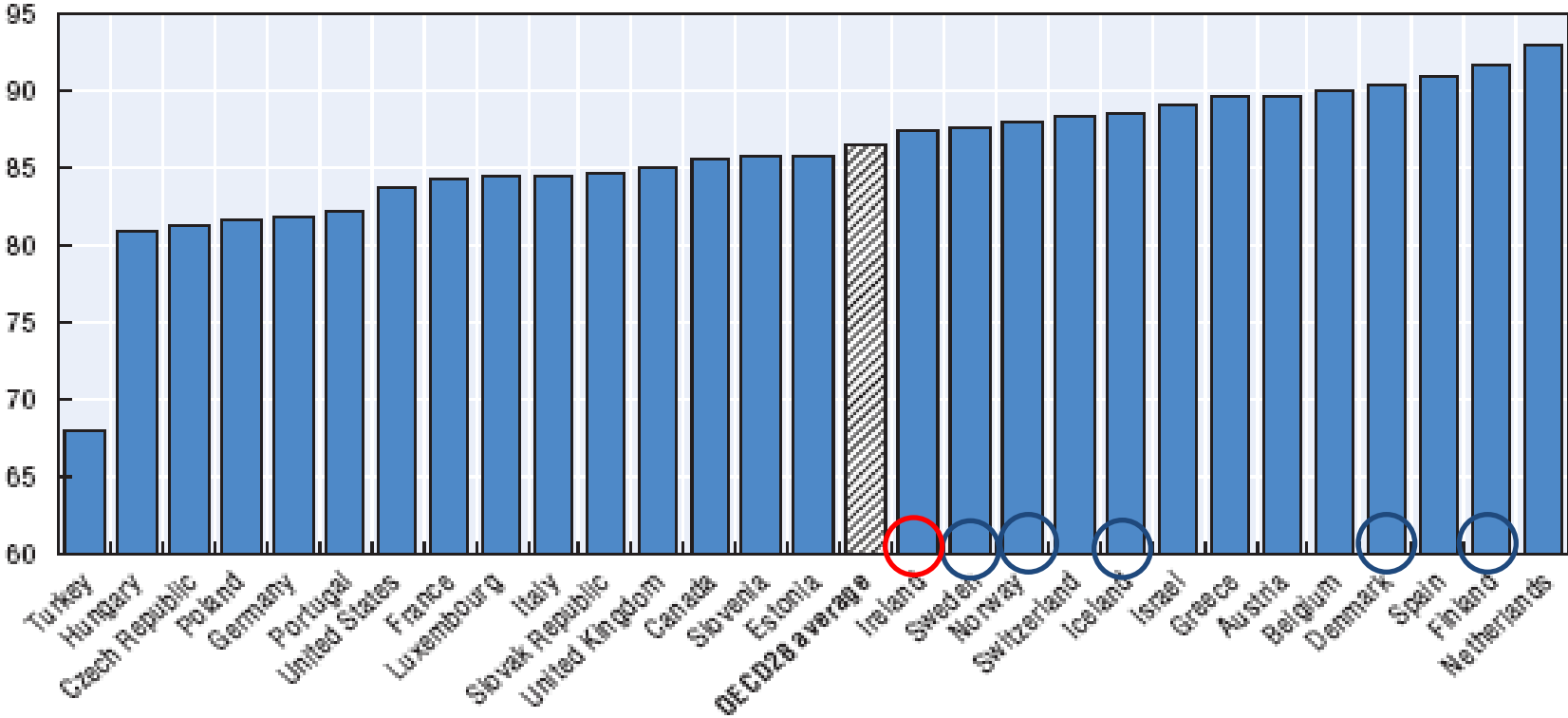
(Plantenga and Remery, 2009)



Does ECEC affect subjective well-being?

Figure 1.17. The majority of OECD children report higher than median levels of life satisfaction, 2005-06

Proportion of children, aged 11 to 15 years, ranking their life as 6 or above on a scale of 0 to 10



Note: Data missing for Australia, Chile, Japan, Korea, Mexico and New Zealand.

Source: Currie et al. (2008), HBSC International Report from the 2005/2006 Survey.

Academic performance

- Early ECEC associated with an improvement in academic performance at the age of 13: ***“Early entrance into day care tends to predict a creative, socially confident, popular, open and independent adolescent.”*** (Swedish longitudinal study, early 1990s)
- The longer attendance in ECEC, the **more positive grades in elementary education**, especially for children from disadvantaged homes (French study of 20.000 children)
- Children participating in Early Head Start in the US **better cognitive and language development**, more capable of **sustained attention** and **behave less aggressively** towards others (3.000 families, 2005)
- Danish longitudinal studies find that quality matters: **High staff:child ratio leads to better cognitive development at 9th grade**. Also important with **male staff, pedagogic education, and non-Danish background of staff**. Especially affecting boys. (Sources: UNICEF, 2008; Bauchmüller, Gørtz and Rasmussen, 2011)



Summing up

- Distinctive Nordic ECEC model, although with variation and with cash for care (HCA) as trigger
- Relatively short/median length leaves with relative high cash benefits and efficient built-in gender equality incentives
- Full-time, subsidized and (still) high quality childcare - although cost and quality increasing issue
- Nordic ECEC approach inspiration for the social investment paradigm
- Indication of a positive outcome of the Nordic ECEC approach for fertility, female labour force participation, child well-being, child poverty and academic performance

*Thank you for
your attention!*

