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### *Early Childhood Education and Care Policy in Sweden.*

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#### INTRODUCTION

1. Early childhood education and care (ECEC) in Sweden has been given high priority for nearly three decades and is one of the cornerstones of Swedish family policy. Reforms in this area have also been widely supported in the Swedish Riksdag (*Parliament*). This has enabled implementation of a policy, whose guidelines were drawn up by the Government at the beginning of the 1970s and which has since then been subsequently developed – child care of high quality, expanded with the aim of providing full coverage, with the municipalities as the main organisers and financed out of public funds.

2. ECEC has been developed as part of family policy with linkages to labour market policy. The Ministry of Health and Social Affairs has until recently been responsible for this area, with the National Board of Health and Welfare as the supervisory authority. This means that there are close connections between ECEC and the family support system, e.g. parental insurance and child allowances and that ECEC is organised for children of ages 1-6 and school-age child care for children of ages 6-12, so that parents are able to combine parenthood with work and studies. A close relationship has also been developed between ECEC and the social services over responsibility for children in need of special support and children in risk of being badly treated. ECEC has played an important role in the integration of children with disabilities into society.

3. This work has been expanded not primarily as a result of detailed legislation, but from state grants, earmarked for specific performance targets allocated to municipalities, in order to stimulate the development of quality for different types of activity. ECEC has received a large proportion of society's resources, but it is also quite apparent that the expansion of ECEC has been national economically profitable, despite the costs involved.

4. Nowadays ECEC in Sweden is a natural part of the modern welfare society and a part of the everyday reality of more than half a million families with children, 75 percent of all children aged between 1-5 years take part and 68 percent of school children between the ages of 6-9 years. At the beginning of the 1990s, labour force participation rates of mothers with small children reached a peak of 86 percent and this at a time when Sweden had one of the highest birth rates in Europe.

5. Apart from making it possible for parents to combine parenthood with work or studies, the goal of Swedish ECEC has been through the provision of pedagogical activities of high quality to support and stimulate the child's development and learning and contribute to good conditions for growth. This double function was clearly stated already in the report from the 1968 National Commission on Child Care, which became the starting point for the expansion of the Swedish ECEC system. Since then this has been repeated on a regular basis in discussions, reports and goal documents at the national level, during the period when the number of children 1-12 years old enrolled in public child care has increased from a modest 61 000 in 1970 to 730 000 in 1999.

6. ECEC has thus been closely related to educational issues with the pedagogical dimension quite prominent throughout the expansion period. Well-educated personnel with a high degree of pedagogical competence are a guarantee of quality, a factor which has been extremely important, particularly during periods of economic cutbacks. The pedagogical culture of the pre-school has developed over a lengthy period so that there is a consensus over how children of pre-school age develop and learn, which has also been important in disseminating knowledge about the needs and rights of children in society generally.

7. In Sweden there is a highly developed view of the child based on democratic values which gives respect for the child as a person in its own right and a belief in the child's inherent skills and potential. As childhood is regarded as having a value in itself, the pre-school years are of great importance in the child's growing understanding of itself, the opportunities it has and its everyday reality. Swedish parents "negotiate" with, rather than dominate their children and in the pre-school and school great efforts are made to give children influence and encourage their participation. Sweden has also come far in developing a child perspective which permeates activities and decisions affecting children. The Office of the Children's Ombudsman was set up in 1993 with the task of monitoring

children's rights in accordance with the UN Convention on The Rights of the Child.

8. On 1<sup>st</sup> July 1996, the Ministry of Education and Science took over responsibility for ECEC from the Ministry of Health and Social Affairs. At that time ECEC had been expanded to provide virtually full coverage of needs in accordance with existing legislation, the goals set up had been largely achieved. The aim in transferring ECEC to the educational sector was to build on the close pedagogical links between ECEC, school and school-age child care. In this transition, it was argued that the public pre-school for six year olds should be integrated with the school – this was a response to the public debate on reducing the age at which children starts school in Sweden from 7 to 6 years.

9. A number of reforms have taken place since then. Legislation on child care has been brought into the School Act and the National Agency for Education has taken over supervisory responsibility. The pre-school class for six year olds was introduced as a separate, voluntary school form to make possible the development of new working approaches and activities in co-operation between pre-school and school. Pre-school teachers and leisure-time pedagogues have been given the right to teach in school and the curriculum for compulsory school has been amended to incorporate the pre-school class and leisure-time centre (*school-age child care*). In August 1998, the pre-school received its first national curriculum for children aged between 1-5 years and thereby making pre-school the first step in life-long learning and a strong and equal part of the school system.

10. For the past 30 years, ECEC has been an important part of the Swedish family support system, alongside the parental leave insurance and the child allowance systems. This continues to be true also after 1996, when responsibilities for ECEC have shifted from the social to the educational sector. The overarching goals of Swedish ECEC are the fostering of democracy, equality, solidarity and responsibility. The dual focus on education and care, which is now found in the 1998 National Curriculum for pre-school is a continuation of the foundation laid down by the 1968 National Commission on Child Care.

11. But this has raised new issues. The most important issue concerns the right for all children from an early age to take part in pre-school, irrespective of if parents work or not. A universal pre-school with no fees for all children could provide a new foundation and complete the structure of Swedish ECEC if it was to be integrated in the current ECEC-settings. A Government Bill on maximum fees in ECEC and universal pre-school has been proposed to the Swedish Riksdag. On November 23, the Swedish Riksdag approved of this proposal. (*see below*).

DIVISION OF RESPONSIBILITY BETWEEN THE STATE AND MUNICIPALITIES

12. From the mid 80s there has been an explicit trend in administration policy in Sweden to give the local authorities greater responsibility and self-determination. The division of roles and responsibility between central government and local authorities has gradually changed, as a result of amongst other things changes in the Local Government Act of 1991 and a new grant system. The state lays down goals and guidelines for the activities of municipalities and at the same time sets the financial framework. It is thus the municipalities themselves who determine how they will fulfil the national goals and how they will use the funds allocated. The shift from a rule-oriented steering system to a more goal-directed system has also placed more responsibilities with the professionals working in the ECEC-settings, which demands a highly qualified personnel staff.

13. There are currently 289 municipalities in Sweden. The task of the local government sector fall into two distinct categories: those included in the general power granted to municipalities under the Local Government Act (1991), such as streets and roads, water and sewage, communications and transportation, and those based on special legislation, for instance child care, schools and social services. Education is by far the largest sector of municipal operations, accounting for about 1/3 of the costs. In 1998 total child care costs amounted to about half of the total education costs.

14. Direct local income taxes is the main source of revenue for municipalities. Local government is normally entitled to set its own tax rates. As a supplement to this, local governments receive a state grant, of dual character, consisting of pure grants as well as tax and structural equalisation. Since 1993, about 75 percent of total state grants are in the form of block grants, to give municipalities greater freedom to decide locally how to spend the money.

15. According to legislation each municipality is responsible for providing pre-school activities and school-age child care to children permanently residing in the municipality. Pre-school activities are run in the form of day care centres – (now labelled pre-school), family day care homes and supplementary pre-school activities. School-age child care is run in the form of leisure-time centres and family day care homes. Pre-school activities and school-age child care shall be provided to the extent needed, taking account of whether parents are employed or studying as well as the child's own need. When the child's parent has notified the need for a place within the child care, the municipality shall provide such a place without unreasonable delay (3-4 months).

16. The main principle that it is the responsibility of society to satisfy the need for child care has not prevented legislation from gradually creating opportunities for parties other than the municipalities to provide pre-school and leisure time activities. There is broad consensus that alternative models for child care can be enriching and developmental and also that it is important for freedom of choice and accessibility that activities are run in different forms and with different approaches.

17. There has also been widespread agreement that alternatives should, however, not segregate children into first and second team pre-schools. The legislation allows municipalities to outsource the running of pre-school and leisure-time centres providing the financial conditions are the same for municipally and non-municipally run forms. This means that municipal grants and parental fees should be the same in municipally and non-municipally run settings. 15 percent of all children enrolled in pre-schools had a place in a setting that was not run by a municipality in 1999.

18. The most common of these settings are parental co-operatives, which by tradition have most experience in providing alternatives in Swedish ECEC. This form is privately organised by groups of parents, but subsidised by the municipality in the same way as publicly run centres. Parental groups are the organisers and employ the personnel. Parents often themselves work on a rotating basis and are thus able to reduce cost. Many parental co-operatives were started by parents full of initiative wanting to bypass the long waiting times for places in municipal pre-school during the expansion years, and despite the fact that there is now full coverage the parental co-operatives continue to flourish. Other non-publicly organised ECEC-settings include personnel co-operatives, and programs organised by various organisations, corporations or churches.

19. All non-municipally organised ECEC have to meet the standard of public child care, and are also entitled to public funds to cover their running costs. Parental fees are not allowed to deviate from municipal norms, and privately organised programs have to follow the same basic ideological principles and fundamental values as stated in the national curriculum, such as democracy, equality and solidarity.

## FUNDING AND FINANCING

20. The total gross costs for the Swedish ECEC system amounted in 1999 to SEK 40 000 millions (ECU 4 400 millions). (2 percent of GDP). These costs include ECEC-settings for children age 1-5 as well as school-age child care in leisure-time centres, family day care homes and open activities. Costs have stayed the same during the period 1991-1998, despite the fact that the number of children in pre-schools, leisure-time centres and family day care homes have increased by 185 000 during the same period.

21. If productivity is measured in changes in costs per hour, studies show that these costs have been reduced by about 20 percent in pre-schools and leisure-time centres, but have remained the same or increased slightly in family day care homes during the period. The increase in productivity has been brought about mainly through an increase in number of children in the groups, and a reduced adult/child ratio.

The average annual gross cost per child for a place in a Swedish ECEC-setting amounted in 1999 to about SEK 56 000 (ECU 6 200), but costs vary among different types of settings.

22. *Swedish ECEC – costs in 1999 (Gross costs)*

Total costs	42 mdr SEK
per child average	56 200 SEK
Pre-school (day care centre)	25,8 mdr SEK
per child average	71 200 SEK
Family Day Care Home	5,8 mdr SEK
per child average	60 300 SEK
Leisure-time Centre	6,9 mdr SEK
per child average	26 400 SEK

(mdr= 1,000 million)

23. In the 70s and 80s, the running costs for a place in a Swedish ECEC-setting were divided between the national Government, the municipalities and the parents in such a way that the state and the municipalities each covered about 45 percent of the costs and the parents the remaining 10 percent as direct child care fees. Parents usually paid on a sliding scale based on income and the grants from the national Government were earmarked to be used specifically to cover child care costs.

24. This funding system changed during the 90s, when support for decentralisation of decision-making and responsibilities has been high on the political agenda. Specifically defined state grants have been replaced by general government block grants. To cover the costs of child care, municipalities might combine the use of income tax revenues and parental fees in various ways. In 1998, 17 percent of the costs were financed through parental fees compared with about 10 percent, seven years earlier. Parental income continues to affect these fees, and most municipalities have started to use a payment-system linked to the number of hours per week a child is present in the ECEC-setting, in an attempt to try to affect family demand for child care.

25. The distribution of costs across areas of education and social services among Swedish municipalities has received considerable attention during the past ten years, as financial cut-backs and savings have been high on the political agenda. Ways of measuring, analysing and comparing municipal costs and priorities have been refined and available information made more detailed. There is also a need to broaden these analyses to include not only gross costs of i.e. ECEC-activities, but also to further investigate the municipal and societal net effects of publicly

financed programs. Such studies were conducted in the beginning of the 80s, indicating positive relationships among variable such as child care spending, employment rates, tax revenues and GNP.

## RECENT CHALLENGES

26. In August 1998 a national curriculum for the Swedish pre-school came into force. This curriculum covers goals and guidelines for the activities of children 1-5 years of age in pre-school. As a result of this curriculum, the pre-school has taken a definitive step into the educational system and its pedagogical importance for the development of the child's learning has been widely recognised. In the municipalities around the country, work is now proceeding on launching the curriculum, which just like other curricula is an ordinance which the municipalities are obliged to follow.

27. The new – and first – curriculum for pre-school does not mean that pre-school will in fact become “school”. On the contrary, traditional pre-school pedagogical approaches are emphasised in the curriculum such as the child's well-being as a whole, the importance of play etc. The pre-school as before will maintain the role of “play”, and ensure that learning takes place on the basis of the child's individual interests and needs. However, pedagogical content has been given a clearer focus and greater emphasis. The child's curiosity, industriousness and desire to learn should be taken account of. The pre-school should provide “security, enjoyment and a wealth of learning opportunities”.

28. But all children do not have access to ECEC in Sweden. The right to a place in a pre-school is today dependent on the employment status of a child's parents. Municipalities are obliged to provide places for children only if parents are working or studying or if the child has special needs of its own. This has led to a situation where a number of children with parents who are unemployed do not have access to pre-school. Many of these children have immigrant backgrounds. For children whose parents have taken leave of absence to take care of a baby in the family, the rules are the same as for unemployed parents. The child might lose its place in the pre-school during this period.

29. Children in family day care homes, children whose parents work in shift to avoid costs of child care, children taken care of by relatives or neighbours and children with a home working mother – although few in Sweden, are groups of children with no access to pre-school of today. Not many in numbers, but nevertheless children that would benefit from pre-school just as much or maybe even more than others. The children without access to ECEC has for the past years been a main challenge to ECEC policy.

29. Another challenge to face has been the increasing parental fees of ECEC. Fees differ between municipalities to an extent when it no longer can be accepted. Low-income parents tend to try to find other solutions than public child care, because of the costs involved. Time-related and income-related fees in child care can create negative effects on parent's motivations to go from unemployment to employment or from part time to full time, to get a better paid job etc, since increases in salaries also raises parental fees in child care.

#### MAXIMUM FEES AND UNIVERSAL PRE-SCHOOL

30. In its Spring Budget of 2000, the Government has estimated the costs of introducing universal pre-school, pre-school activities for children of unemployed parents and parents on parental leave, and maximum fees in all forms of ECEC. In addition, the Government has included estimated costs of quality assurance measures. The total cost of the reform is estimated to be SEK 5,6 billions.

31. Some other reforms will be another paid month (the 13<sup>th</sup> month with 80 percent of gross income) within the parental leave system, exclusively for fathers and increases within the child allowance system. The Government has given priority to families with children in the budget, since this was the group in society who had the most significant decrease in standards during the economic cutbacks and for Sweden the unusually high level of unemployment of the 1990s. Birth rates have fallen during the last years and have now for several years been low.

32. The Government has in a bill to the Parliament proposed to extend universally available pre-school. In addition to already existing legislation, all children regardless of their family situation should be offered a place in the pre-school. The pre-school activity should be at the least a three hours daily session, free of charge, for children from four years of age until they start school. The universal pre-school will be mandatory for the municipalities but voluntary for the children participating.

33. Furthermore children between the ages of 1-5 years old, whose parents are unemployed or on parental leave for another child, shall have the same right as children of employed or studying parents to be included under the municipalities responsibilities to provide ECEC. Children are to be guaranteed a stay of at least three hours per day or 15 hours a week. The right for these children extends both to obtaining and keeping a place.

34. A government grant is to be allocated to the municipalities introducing maximum fees for their ECEC and school-age child care activities. To be eligible for the special government grant, the local municipality must charge fees for the pre-school service at a maximum rate of three, two and one per cent, respectively, of a households assessed income (estimated income before tax) for the first, second and third child in the family. Fees may not exceed SEK 1 140

per month for the first child, SEK 760 for the second and SEK 380 for the third child in pre-school activities. In school-age child care the fees will be two, one and one per cent of income for the first, second and third child in the family. However, fees may not exceed SEK 760 per month for the first child and SEK 380 per month for the second and third child. No fees for the fourth child in any ECEC.

35. The maximum fee should apply both to municipally-run and non-municipally run services. Those municipalities opting to apply maximum fees shall be compensated for the loss of revenue entailed by special state grants.

36. In Sweden it can be claimed that ECEC is not only affordable but also profitable for the individual as well as for society. ECEC of today is an important part of the Swedish modern general welfare society. With the latest reforms in force - universal access to pre-school and maximum fees, and with necessary quality maintained and developed, ECEC is aiming at creating a strong foundation in the perspective of lifelong learning.