

#### Subsidised childcare for all

The Nordic Gender Effect at Work
Nordic Information on Gender (NIKK)

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#### Nordic co-operation

Nordic co-operation is one of the world's most extensive forms of regional collaboration, involving Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland, and Åland.

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Investments in gender equality in the labour market have made the Nordic region one of the most prosperous areas of the world. The share of women who work in the Nordic countries is larger than the global average, which is partly the effect of commitments to equal workplaces, subsidised childcare and generous parental leave. With The Nordic Gender Effect at Work briefs, the Nordic region seeks to share its collective experience in promoting gender equality at work, and enable more knowledge sharing and progress towards the UN's 2030 Agenda for Sustainable Development.



# Introduction

Only half of women in the world engage in paid work. Many do so in poor working conditions with low pay, without access to maternity protection or parental leave. Childcare is often unreliable or unaffordable, and violence and sexual harassment are a reality of many working women's day. These exclusions are a violation of women's basic human rights. What is more, gender inequality at work is economically inefficient and ultimately costly for companies and countries alike.

Promoting gender equality at work is thus not only the right thing to do, but the smart thing to do. The Nordic region can be seen as a case in point. Combined, the five Nordic countries have come to represent the 11th largest economy in the world, not despite their policy commitment to gender equality and social justice, but because of it. Today the Nordic countries are known as financially strong welfare states with good living conditions. However, this has not always been the case.

In the past 100 years, women in the Nordic region have transitioned from living under husbands' guardianships to being financially independent, from not having the right to vote to holding the highest offices in society. The labour movement and the women's rights movement played important roles in making these changes happen, and helped pave the way for new legislation together with progressive policymakers. Descriptions of life in the Nordic countries often reference 'the Nordic model'. which is characterised by a political ambition to reduce inequalities and by effective cooperation between the social partners and with collective bargaining in the labour market. Building on this, the Nordic countries have introduced a range of policies since the 1960s that facilitate women's engagement in paid work, as part of a broader policy agenda to advance gender equality and social justice.

Today the Nordic countries lie ahead of the curve on women's participation in the labour force. A significant policy to reach this position was high quality, subsidised childcare for all. The policy incentivised mothers to remain in the workforce after having children, and created a plethora of educational opportunities and jobs in the childcare industry. Enabling and promoting shared parental leave has been another key to prosperity for the Nordics. The countries have even encouraged paternity leave, which sets a path towards more involved fatherhood and happier and healthier families. Nordic employers across industries also recognise that flexible work arrangements do not impede productivity, but rather reduces stress and enables both working women and men to attend to their family responsibilities. It is part of a broader Nordic policy agenda of seeing rights and productivity as two sides of the same coin.

Despite a strong and consistent focus, there is more work to be done. Notably the Nordic countries are grappling with a resilient gender pay gap and a labour market with high levels of occupational segregation. The region does not have all the answers, and in a number of areas (occupational sex-segregation being a case in point) countries in other regions are performing better. The Nordic governments are committed to playing their part in achieving the UN's Sustainable Development Goals (SDGs) by 2030, and seek to enable international knowledge sharing and facilitate a collective improvement in the stride for gender equality.

This brief focuses on childcare. The Nordic Gender Effect at Work series include briefs on subsidised childcare for all; shared and paid parental leave; flexible work arrangements; and leadership and equal opportunities at work.



# Subsidised childcare for all

The introduction of quality, affordable childcare is a key reason so many women are in paid employment in the Nordic countries. A distinctive feature of Nordic childcare is that it is available to all children – regardless of family structure, finances and parents' employment. Childcare in the Nordic region is provided by well-trained staff and characterised by highly professional care and learning environments.

This brief explains the Nordic approach to childcare and how it stands out internationally.

Most parents of young children find it challenging to combine family life with having a job. As a result, women often put their careers on hold to bring up their children and to do housework. The Nordic countries have made it a priority that parents of small children can participate in the labour market on equal terms. Tax-funded childcare is a central component of this.

One of the targets of SDG5 on gender equality is to 'recognise and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate'. The Nordic countries invest a greater proportion of their Gross Domestic Product (GDP) in childcare services than the world average, and the fees that families pay are relatively low and affordable for every parent. For example, an average Swedish family with small children spends 4.4 per cent of their net income on childcare. The corresponding figures for the United States and the UK are about 26 and 34 per cent. As a result, many couples in the United States and UK find it financially pointless for both parents to work outside the home, and thus the lowest paid parent – usually the mother – stays home for several years.

The issue has been high on the agenda in the Nordic countries. At the time of writing, over 95

per cent of all 3–5-year olds in Denmark, Sweden, Norway and Iceland are enrolled in some form of childcare services. In Finland, the figure is lower. The reason for this is that some of the Nordic countries grant parents a so-called childcare allowance, which enables them, if they so wish, to stay home and take care of their young children themselves. Many Finnish parents choose to take advantage of this option.

Thus, most parents in the Nordic countries see childcare services as a natural part of life. And these countries also have higher rates of working women than anywhere else in the world. Research shows that this is not a coincidence; the Nordic childcare model has contributed to a dual-earner system where both parents are able to both work and take care of their children. While this is an important aspect of achieving SDG5, it also contributes directly towards SDG8 on decent work and economic growth, and to the advancement of the 2030 Agenda's overarching objective of leaving no one behind.

#### Organisation of childcare services

Nordic childcare typically involves a wide range of actors. Parents have access to both municipal and private childcare options. The latter type can be either for-profit or non-profit. The educational models on which the childcare services are based vary by country. Family day care, or childcare provided in the home of an often trained childcare professional, is common in Denmark and Finland. In Denmark, this type of childcare is most common

for small children 1–3 years old. Family day care used to be common in Norway as well, but this has changed as the availability of childcare centres has been substantially expanded.

Regardless of how the childcare is organised, the services must be offered in line with the nationally established early childhood curriculum, by qualified staff and in accordance with particular regulations. One notable feature of the system is that there is a high degree of decentralisation to local authorities when it comes to implementation of national policy. Another is that parents are mainly offered full-time childcare instead of part-time childcare, which in turn facilitates full-time work for parents.

#### Childcare fees often income-based

The fees parents have to pay for childcare vary across the Nordic countries. In all countries, however, childcare services are highly subsidised and based on a rights approach – it is a legal requirement that all families be able to afford childcare. In several of the countries, the fees are income-based and parents are offered sibling discounts. For example, in 2015, Norway introduced a new rule capping a family's childcare fee for the first child at six per cent of the family's total income. The other Nordic countries have similar fee caps. In Denmark, the fees may differ slightly between municipalities, but parents never pay more than 25 per cent of the municipality's cost

per child in childcare. Norway has a system where children from low-income households are entitled to a certain number of hours of childcare free of charge. From August 2016, this applies for children from 3–5 years of age.

#### High quality and democratic values

All early childhood education services are based on the ideals of democracy, equality, cooperation and independence. The ambition is for the childcare centres to help the children become responsible citizens with an awareness and appreciation of democratic principles. The childcare services are organised based on a children's rights perspective, whereby the ambition is to provide all children with equal opportunities regardless of socio-economic background. Childcare services are even characterised by the interplay between care and learning, and by respect for each individual child. Each child is entitled to influence their own life and environment, and it is considered important to involve the children in the planning of activities.

This approach is in line with the UN's Convention on the Rights of the Child (UNCRC), which stresses that all children have the same rights and equal value and may not be discriminated against for any reason. Nordic childcare centres are operated by well-educated pre-school teachers and childcare workers with a high level of professionalism.

# Key driver of growth

Nordic women have higher employment rates than women in most other countries. In fact, 72.4 per cent of women engage in paid work (2016), while the average rate is 59.4 per cent in the OECD and 61.6 per cent in the EU.

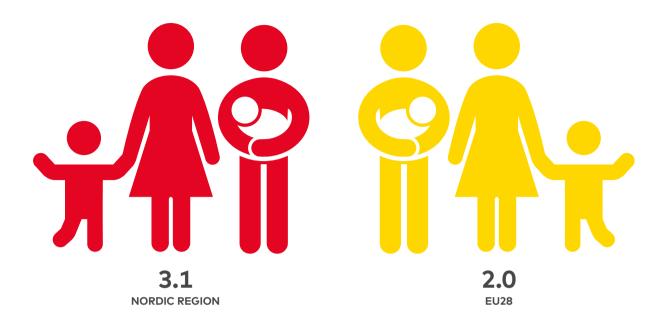
Family-friendly policies like childcare introduced over the past 50 years have increased Nordic women's workforce participation. And it has boosted growth in GDP per capita by 10-20 per cent.

## An equal start in life

All Nordic countries share a central objective, namely that childcare services shall contribute to equal opportunities for all children. Denmark emphasises that childcare services shall contribute to integration and a greater sense of community in society, and Finland that children shall learn to be respectful of cultures and religions that differ from their own.

# Investments in family benefits and childcare

per cent of GDP (2015)



Source: NOSOSCO 2017



The Nordic countries are characterised by highquality early childhood education. The responsibility to raise children to become democratic citizens lies with not only their families but also society at large.

Sigtona Halrynjo, The Institute for Social Research, Norway

#### The right to childcare after parental leave

Almost all 3–5 year-olds in the Nordic countries are enrolled in some type of childcare services. Even many children aged 0-2 spend time in childcare outside the family. Compared with other OECD (Organisation for Economic Co-operation and Development) countries, the Nordic countries have much higher shares of children 0–2 years of age enrolled in some type of childcare. In Denmark, the figure is 66 per cent, compared with an OECD average of 35 per cent. This pattern also becomes evident when looking at the money countries spend on childcare services, as the Nordic countries spend more money on childcare for young children than the global average.

There are many reasons for children's early entry into childcare in the Nordic countries. Ultimately, however, it is a result of the persistent political ambition to enable all parents to engage in paid work while raising children. To this end, the governments have ensured a smooth transition between parental leave and childcare. In all Nordic countries except Iceland, parents are entitled to childcare for their children after their parental leave. The timing of children's introduction to childcare is therefore often linked to the duration of the parental leave. Finnish children start childcare later than children in the other Nordic countries. This is because many families use the childcare allowance to bridge the time between parental leave and enrolment in a childcare centre, and a childcare allowance is paid to parents for taking

care of their children at home. In Finland, parents are eligible for the allowance until the child is three years old. However, many parents who take care of a small child at home also let older children stay home. A similar benefit is available in Norway, although in Norway there is a trend of letting children enter childcare earlier than in the past. Norwegian childcare services have been dramatically expanded since the right to childcare from age 1 was introduced. Research also points to a change in attitudes among Norwegians, where everybody — regardless of socio-economic background – has become more inclined to the idea of putting their children in childcare.

# **Nordic challenges**

Although the Nordic countries have come a long way when it comes to solutions for affordable and quality childcare, a sustainable and gender-equal system for early childhood education is still not a reality. The Nordic region therefore wants to invite others to a discussion on how the following challenges can be effectively dealt with.

#### Staffing levels and quality

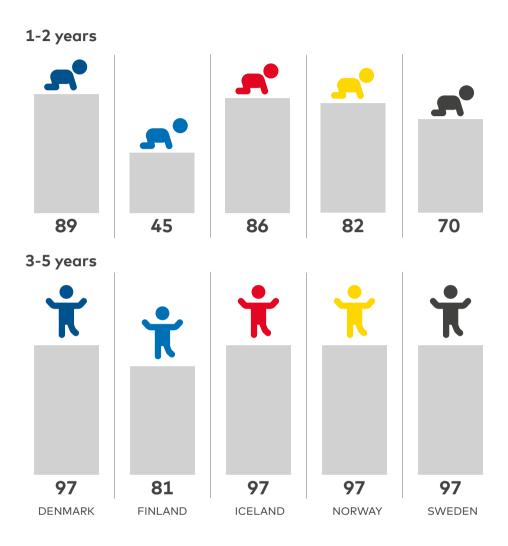
The quality of childcare is often measured in terms of staffing levels, or number of children per teacher in a childcare group. In some Nordic countries, it is a challenge to recruit enough childcare workers to meet the needs of the expanding sector.

#### Sex-segregation in care

Over 90 per cent of the childcare workers in

### Share of Nordic children enrolled in childcare

per cent of age group (2016). Source: Nordic Statistics 2018



the Nordic countries are women. How can the gender balance be effectively and rapidly improved?

**Availability and access** 

Several Nordic countries are facing challenges in meeting the demand for childcare. In particular, there are difficulties making childcare available exactly when parents need it, such as at the end of their paren-

tal leave. New children need to be enrolled throughout the year, but most spots become available at the end of the terms.

# NORWAY: WHERE ARE THE MEN IN CHILDCARE?



**1,700 MEN WORKED IN THE NORWEGIAN CHILDCARE SECTOR** in 1990. In 2009, the number had increased fivefold to 8,400. Kanvas, a non-profit childcare provider with 56 childcare centres in Norway, has been particularly successful by achieving a ratio of 20 per cent men and 80 per cent women (2010). Kanvas points to the relatively good gender balance as a sign of high quality.

Several Nordic countries have an ambition to increase the number of male childcare workers. Norway has been more successful than the others.

Since 1990, the number of men employed in the childcare sector has increased fivefold. At present, nine per cent of all childcare workers are men, which is a significantly higher share than in the other Nordic countries.

Norway's success can be attributed to persistent political efforts nationally, regionally and locally. The first national action plan to increase the number of men working in childcare was presented in 1997, and in 1998 it became legal for employers to hire a man instead of a woman in cases of equal, or almost equal, qualifications. From 2000 to 2010, Norwegian childcare services were dramatically expanded, creating a surge in the demand for childcare workers. County administrations developed action plans specifying how more male workers could be recruited, and regional conferences on gender equality and men in childcare were arranged. Special contests were advertised, where childcare operations involving at least 20 per cent male employees were recognised. Special model childcare centres were also appointed and provided resources to advise other centres on how to recruit and retain more men.

The Norwegian campaign has also involved efforts to make more boys interested in a career as a preschool teacher. In many counties, municipalities have the opportunity to invite boys in lower secondary school to work in childcare. The boys are paid for their work. The idea is for the boys to gain a positive experience of childcare and that this ultimately will reduce the prevalence of gendered career choices.

One goal of Norway's efforts to increase the number of men in childcare is to make the labour market less gender-segregated. A gender balance is considered important for the children, for the work environment and for gender equality. But more than anything, the efforts are meant to change the traditional view of men's gender roles. More men in childcare means more role models showing that men, too, can provide nurturing care.

Source: Nordfjell & Nielsen 2011

# AN EARLY START TO GENDER EQUALITY

Several Nordic countries have established that efforts to achieve gender equality must be integrated into all childcare services.

This means, for example, that all children, regardless of sex, should have the same opportunities and that gender stereotypes must be discouraged. In Sweden, so-called gender-responsive education has been politically prioritised and widely implemented, in particular in childcare. Gender-responsive education is based on the view that gender is a social construct that society continues to reproduce and that it perpetuates inequalities. The aim of the model is to ensure that girls and boys are treated equally and that gendered patterns are not reproduced or reinforced.

In 2002, the Swedish government invested about EUR 1.2 million in gender equality training for childcare workers. The following year, in 2003, a special gender equality commission was appointed and tasked to develop the methods for promoting gender equality in Swedish early childhood education. The goal was for each Swedish municipality to have one gender educator. In 2006, half of all

municipalities had a gender educator who among other things focused on childcare services. Since then, the number has decreased. But the initiative is an example of how gender and gender equality issues are addressed in Nordic childcare services. In all Nordic countries there are laws promoting gender equality in early childhood education. The Norwegian curriculum states that 'equality between the sexes must be reflected in the applied teaching methods' and that 'the staff should reflect on their own attitudes and on society's expectations of boys and girls. The Icelandic curriculum stresses that all children should be trained in equal rights, with an emphasis on preparing boys and girls for equal participation in society, in family life and in the labour market. It is also considered important to point out various grounds for discrimination and how they interact.

Source: Heikkilä 2013

# DENMARK: **A TOP INVESTOR**

# Denmark spends more money on childcare as a share of GDP than any other Nordic country.

Danish children also start the earliest in childcare. and almost all families with young children take advantage of the services. Moreover, Denmark was the first Nordic country to implement a reform that paved the way for public childcare in 1964. The decision was based on a need to expand the country's workforce. It became necessary to enable more women to enter the labour market. High-quality childcare for everybody became a prioritised issue, and in the 1980s, most young children in Denmark were enrolled in some type of childcare services. Moreover, the country has a childcare guarantee, which means that all children are entitled to childcare services from when they are around six months old. Denmark has the highest proportion of young children in childcare in the region; the figures are 98 per cent for 3–5 year olds and 90 per cent for 1-2 year olds. Unique for Denmark is also that children start childcare earlier than in the other Nordic countries; the enrolment rate for 0-1 year olds is 18 per cent. This can partly be attributed to the duration of paid parental leave, but according to Tine Rostgaard, professor at the Danish Centre of Applied Social Science (VIVE), there is also a cultural explanation: In Denmark, the norm is that women return to work after one year.

'The general attitude in Denmark is that early childhood education is very important, it's a way to prepare children for participation in society and make their opportunities more equal regardless of class. Another function of early childhood education that's considered important is that it helps children learn the Danish language,' she says.

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This brief is also based on interviews with researchers.

# **About**

Nordic Solutions to Global Challenges is an initiative by the Nordic prime ministers to enable knowledge sharing and exchange under three pillars, namely: Nordic Green, the Nordic Gender Effect and Nordic Food & Welfare. The initiative is part of the Nordic region's effort to promote progress towards the UN's Sustainable Development Goals through the Nordic Council of Ministers, the official arm of Nordic governmental cooperation. The Nordic Gender Effect at Work is the name of the prime ministers' flagship to promote gender equality as a goal in its own right, and as a prerequisite for decent work and economic growth.

This series of briefs was prepared by Nordic Information on Gender (NIKK). NIKK is a knowledge centre, which collects and disseminates Nordic research, knowledge and policy in the area of gender equality.

The briefs describe how the Nordic countries have facilitated women's participation in the labour market and promoted gender equality at large. The introduction provides an overview of the Nordic welfare model and a historical context for the solutions that have been developed in the Nordic region over time. There are four specific briefs, which outline policies and experiences on subsidised childcare for all, shared and paid parental leave, flexible work arrangements and measures to achieve gender balance in leadership and equal opportunities at work.

For more: norden.org/nordicgendereffect and nikk.no

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Promoting gender equality at work is not only a matter of rights; it is the smart thing to do from the perspective of inclusive growth. The Nordic region is a case in point, as it has come to represent the 11th largest economy in the world, not despite policy commitments to gender equality and social justice, but because of it. The Nordic countries have robust economies and good living conditions, where both women and men have high labour force participation rates. However, the gender pay gap is persistent and occupational segregation continues to hinder gender equality.

The Nordic Gender Effect at Work briefs share the collective Nordic experience in investing in gender equality including parental leave, childcare, flexible work arrangements, leadership and equal opportunities at work, and seek to make further progress through cooperation.