

2 Policy context and governance of early childhood education and care settings for children under age 3

This chapter first explores the policy context of early childhood education and care (ECEC) settings for children under age 3. It compares enrolment and expenditure levels across OECD countries and highlights the relationship between female participation in the labour force and the demand for ECEC services for children under age 3. The chapter then describes the governance of the ECEC settings of the countries participating in TALIS Starting Strong and investigates how they are funded, what responsibilities their leaders have and what barriers limit their effectiveness.

Key messages

- Enrolment rates and expenditures on early childhood education and care (ECEC) services for children under age 3 vary to a greater extent than they do for older children across OECD countries. The four countries participating in the Starting Strong Teaching and Learning International Survey (TALIS Starting Strong) for settings for children under age 3 have some of the highest enrolment rates for children age 2 among OECD countries, ranging from 67% in Germany to around 90% in Denmark and Norway. These rates are lower for children age 1 in Denmark and Germany, but not in Israel and Norway. Children below age 1 are rarely enrolled in ECEC in Denmark, Germany and Norway, but in Israel 31% of children under age 1 attend ECEC. Among OECD countries with available data, expenditures per child are particularly high in Norway and low in Israel.
- The ECEC sector for children under age 3 experienced strong growth from 2005 to 2017, with enrolment rates in many countries, including Germany, doubling. In countries participating in TALIS Starting Strong, supply does not meet demand and the majority of settings have a waiting list of children who could not yet be enrolled.
- Among countries participating in TALIS Starting Strong, Israel is the only one with a split system, in which ECEC services for children under age 3 are under the responsibility of the Minister of Labour rather than the Minister of Education. In Denmark, Germany and Norway, children under age 3 are enrolled in integrated centres serving children ages 0-5 while in Israel, children under age 3 are only with other very young children. Home-based settings exist in all countries, although they were excluded from the survey in Norway, as very few children attend home-based settings there.
- Most centre-based settings in all four participating countries receive government funding and a majority of them collect fees from parents. Donations are a frequent source of funds in Germany only.
- In centre-based settings, staff and leaders have “significant responsibility” for most tasks included in the survey, particularly for choosing the materials and activities used in the centre, but less frequently for establishing salaries. Yearly monitoring most often happens for finance rather than for inspecting process quality, including the quality of the staff’s interactions with children.
- Leaders of centre-based settings often report staff shortages and staff absences as the most important barriers to their effectiveness, with the exception of Norway, where fewer leaders report any such barriers.

Introduction

Early childhood education and care (ECEC) for children under age 3 is perhaps the sector of education that varies the most across OECD countries in terms of enrolment rates, investment, structure and governance. This is also an area of education for which little is known due to the complexity of the sector and its recent development in some countries, which makes it difficult to obtain internationally comparative data.

The development of ECEC for children under age 3 reflects countries' beliefs and their policy choices concerning female participation in the labour market, the age at which children can benefit from attending an ECEC setting compared to staying at home, and the overall cultural context of taking care of the youngest children. These factors determine the size and type of public investment for families with very young children. For the youngest children in particular, some countries invest in parental leaves to enable children to stay at home while others invest in ECEC settings. At the age of 5, most children in OECD countries are enrolled in ECEC, but for the youngest children, large variation exists across countries. Differences in the policy context means that the age composition of children enrolled in ECEC for the youngest children varies across countries, which has implications for the practices staff use with children and the skills and knowledge staff need to have.

ECEC for children under age 3 is a complex sector, often with several types of settings co-existing within countries, such as centre-based and home-based or public and private and multiple ministries involved. The organisation of the sector can influence the quality of ECEC provided. TALIS Starting Strong asks leaders of settings for children under age 3 in the four participating countries (Denmark, Germany, Israel and Norway) to provide information about the funding, governance and ownership of ECEC centres. It also asks leaders about their perceptions regarding factors that may hamper the effectiveness of the sector. This information helps better understand the institutional and policy context of ECEC for children under age 3 and how this context can shape how staff work with children and the provision of quality ECEC.

The four countries participating in TALIS Starting Strong for children under age 3 differ in many of these aspects. The objectives of this chapter are twofold. First, it discusses the main factors that shape the development of ECEC services for children under age 3 in OECD countries based on several sources of data to put the four participating countries into perspective. This discussion includes a description of the policy context of ECEC services for children under age 3 and compares them across OECD countries on a number of dimensions, including enrolment rates and expenditure.

Second, the chapter presents the results from TALIS Starting Strong on aspects of the governance of the sector that are specific to each country. Different types of ECEC settings exist, and TALIS Starting Strong includes both centre-based and home-based ECEC settings for children under age 3. Using leaders' reports from TALIS Starting Strong, the chapter finally presents how settings are organised and funded, what responsibilities leaders have, how settings are monitored, and what barriers limit leaders' effectiveness. Both the wider OECD perspective and the policy and institutional context for the four participating countries are useful to better understand the findings presented in the other chapters of this report.

Disparities in the scope of early childhood education and care services for children under age 3

To a much greater extent than for older children, the education and care of children under age 3 is shared among several actors, including families and ECEC services (OECD, 2019^[1]). Enrolment in ECEC services for children under age 3 is a matter of choices and constraints for families involving cost, availability, personal preferences and labour force decisions, within a policy context specific to each country. As a result, ECEC services differ greatly across countries in terms of coverage and expenditures, and reflect very different policy choices.

Enrolment of children under age 3 in early childhood education and care settings

In contrast to ECEC at the pre-primary level, ECEC services for children under age 3 are rarely close to reaching universal coverage. In 2017, the enrolment rate for children age 2 in ECEC registered services was 60% across OECD countries, markedly below 87%, the corresponding rate for children ages 3-5

(Figure 2.1). Importantly, the younger the child, the less likely s/he is to be enrolled in an ECEC service with, across OECD countries, enrolment rates of 40% for children age 1 and 10% for children under age 1.

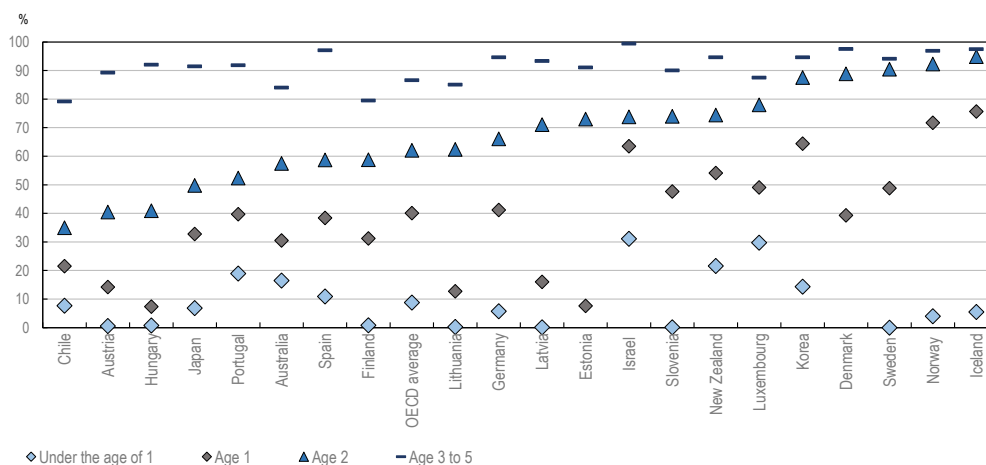
These averages hide large variation both within and across OECD countries in the use of ECEC services for the youngest children (Figure 2.1). In Korea and in several Nordic countries, including Denmark and Norway, enrolment rates for children age 2 are around 90% and close to those observed for older children. In Germany and Israel, these enrolment rates are lower, but still high, with two-thirds of all children age 2 in ECEC services. Among all OECD countries, these rates are below 50% only for Chile, Austria and Hungary, but they are still sizeable. This disparity is more important when considering children age 1. In many countries, such as Estonia and Lithuania, enrolment rates are very low, indicating that ECEC services at this age are the exception, even though a majority of these children would be enrolled one year later.

In a few other countries, such as Israel and Norway, a majority of children age 1 are already enrolled in ECEC services. In most countries, including Denmark, Germany and Norway, children who are not yet 1 are not enrolled in ECEC services. At this early age, some countries may favour subsidising parental leave policies rather than investing in ECEC. Enrolment rates for this age group reach 30% only in Israel and Luxembourg. These national averages do not show regional variations within a country, which can be substantial (OECD, 2017^[2]).

Importantly, these enrolment rates reflect the current supply of registered ECEC services and potentially mask unserved needs for some parts of the population. In particular, these enrolment rates vary across a family's social background in some countries. Enrolment rates for families from the lowest income tertile (the first part of the income distribution divided into three parts) are lower in Denmark and Norway, but not in Germany (OECD, 2020^[3]).

Figure 2.1. Enrolment rates in early childhood education and care services, by age

Enrolment rates of children under age 3 in registered early childhood education and care settings, by age, OECD countries, 2017



Notes: Countries for which data are not available at all ages are not shown. Figures account for all children in registered settings, including both ISCED 0 settings and other registered early childhood education and care services that do not meet the criteria for being classified as ISCED 0. Source: OECD (2019^[4]), "Enrolment rates of children under the age of 3 in early childhood education and care, by type of service and age (2005, 2010 and 2017)", in: *Education at a Glance 2019*, <https://doi.org/10.1787/888933977771>.

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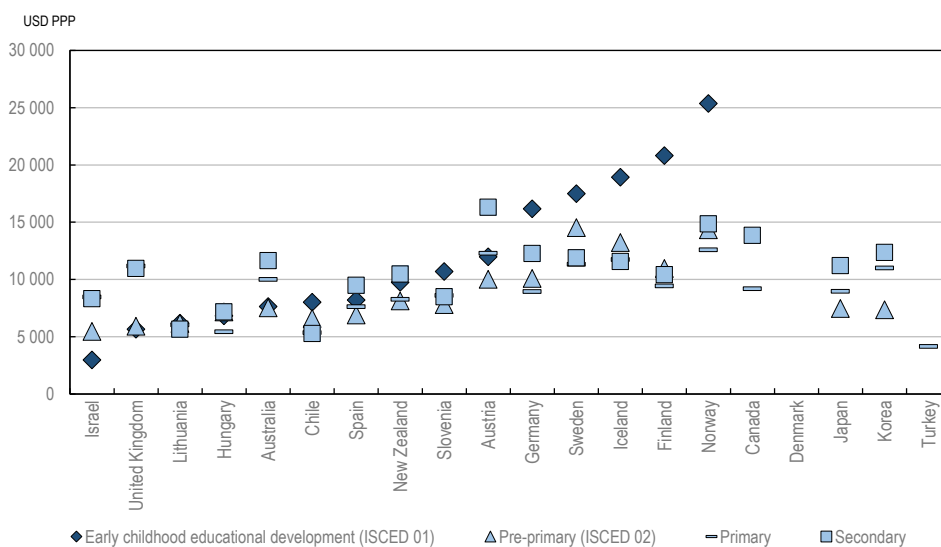
Expenditure on early childhood education and care settings for children under age 3

For countries with available data, the level of expenditures per child in ECEC services for children under age 3 is higher than for other levels of education in Germany and some Nordic countries (Figure 2.2). In Israel, private and public expenditures per child amount to less than half of expenditures per pupil in secondary education. Nordic countries and Germany stand apart with expenditures across all levels of education beyond ISCED 01 generally above USD 10 000 in purchasing power parities (PPP) per student. These countries have even higher expenditures for children under age 3, at USD 16 000 in PPP per child in Germany and up to USD 25 000 in PPP per child in Norway, almost seven times the amount spent in Israel. Such a disparity from one country to another is not found for other levels of education. The comparisons in this report of countries participating in TALIS Starting Strong, namely Denmark (for which data on expenditures are not available), Germany, Israel and Norway, have to be interpreted in light of these figures. These important differences in expenditure levels may drive the levels of resources available in each country, as measured in TALIS Starting Strong.

The cost of ECEC for individual families is different from these national expenditure figures. Family costs depend on the number of young children in each family as well as the distribution of costs between families, governments and other sources of ECEC funding (e.g. philanthropic donations). In OECD countries, the net cost of ECEC can be a high burden on family incomes, especially in English-speaking countries (OECD, 2020^[3]).

Figure 2.2. Educational expenditures at different levels of education

Public and private annual expenditure per pupil at different levels of education in equivalent USD converted using purchasing power parities, 2016



Note: Since data for ISCED 01 expenditures are not available for several OECD countries, OECD averages cannot be computed.

Sources: OECD (2019^[5]), "Financing of early childhood education and care (ISCED 0) and change in expenditure as a percentage of GDP (2012 and 2016)", in: *Education at a Glance 2019*, <https://doi.org/10.1787/888933977828>, OECD (2019^[6]), "Indicator C1. How much is spent per student on educational institutions?", in: *Education at a Glance 2019*, <https://doi.org/10.1787/888933981058>.

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Recent evolution and unmet demand

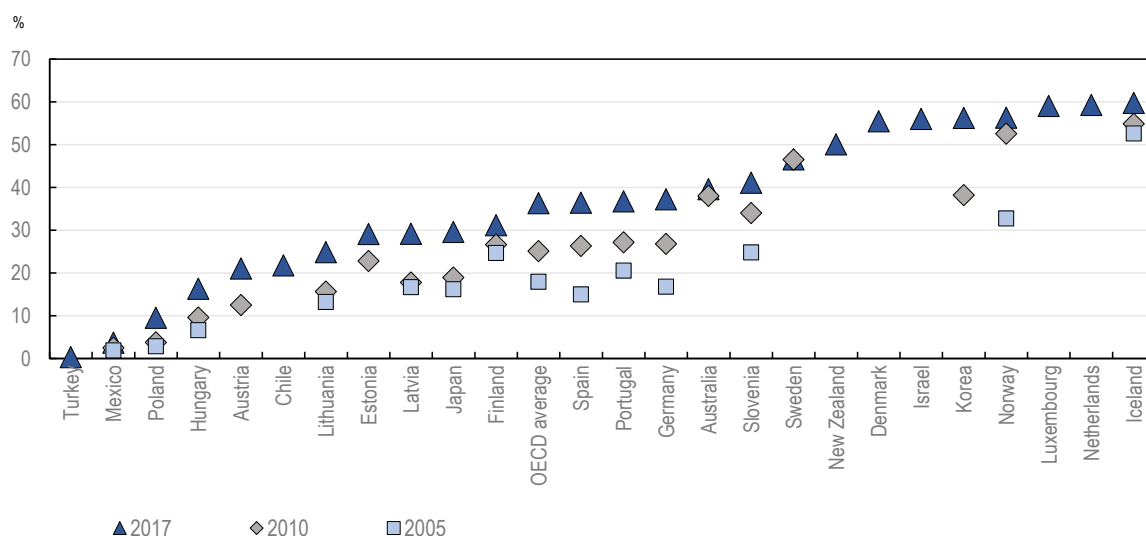
The large differences in enrolment rates observed in ECEC services for children under age 3 suggest that in many countries the sector has, and may still experience, strong growth, with an increasing demand for services. These trends are important to assess the potential pressure on the ECEC sector.

Enrolment of children under age 3 in ECEC services dramatically increased on average across OECD countries from 2005 to 2017 (Figure 2.3). In several countries, enrolment rates doubled during this period. In Norway, 33% of children under age 3 were enrolled in ECEC services in 2005, compared to 56% in 2017. In Germany, the corresponding increase was from 16% to 37%. Similar increases took place in Japan, Portugal and Spain.

This increase in enrolment was driven by the combination of two trends. First, policy makers became more and more aware of the long-term benefits of ECEC for the youngest children and invested in the sector accordingly (Shuey and Kankaraš, 2018^[7]). Second, changes in female participation in the labour market acted as a lever to further extend ECEC services (Thévenon, 2013^[8]). This sharp increase in the demand for ECEC services can potentially create difficulties in the recruitment of skilled workers (see Chapter 3). In countries where birth rates or migration of families with young children have increased, stable enrolment rates hide an expansion of ECEC services, which may also have been challenging to countries.

Figure 2.3. Evolution of enrolment of children under age 3 in early childhood education and care services

Enrolment rates of children under age 3 in early childhood education and care (2005, 2010 and 2017)



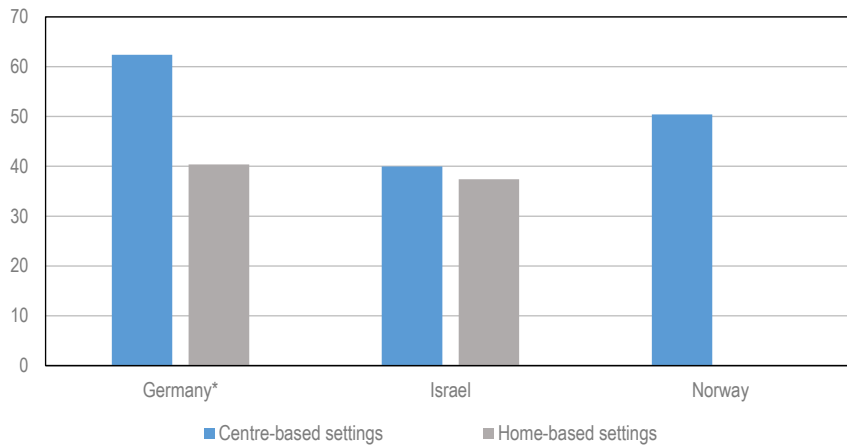
Source: OECD (2019^[4]), "Enrolment rates of children under the age of 3 in early childhood education and care, by type of service and age (2005, 2010 and 2017)", in: *Education at a Glance 2019*, <https://doi.org/10.1787/888933980944>.

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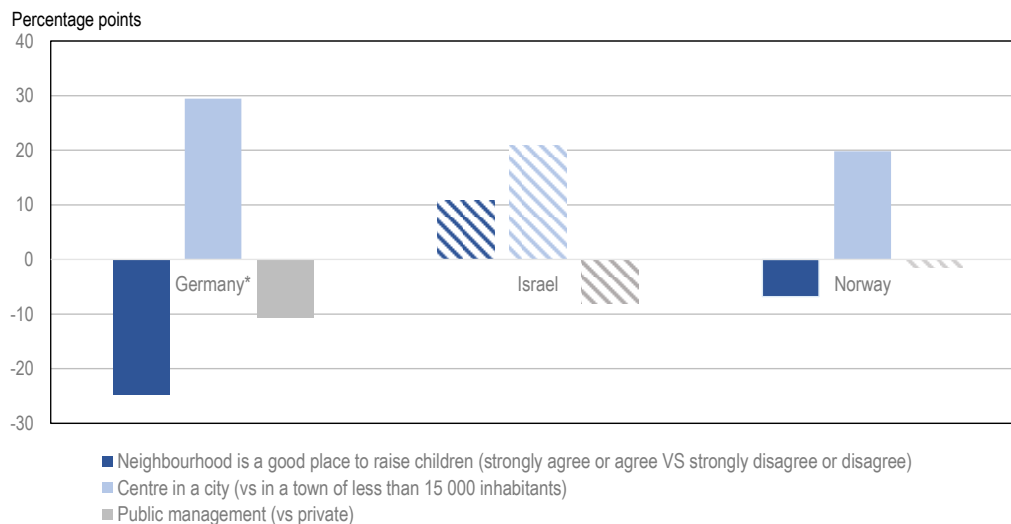
TALIS Starting Strong asks leaders of settings serving children under age 3 whether they had children on a waiting list to enrol. This indicator helps understand whether the setting capacity is large enough to satisfy the needs of families, and therefore gives an overall assessment of the extent to which the current size of the sector meets the demand of families for its service.

Figure 2.4. Unmet demand in early childhood education and care services for children under age 3

A. Percentage of leaders reporting there were children who wanted to enrol and were placed on a waiting list



B. Adjusted differences in the percentage of centre leaders reporting there were children who wanted to enrol and were placed on a waiting list, according to centres characteristics



*Estimates for sub-groups and estimated differences between sub-groups need to be interpreted with care. See Annex A for more information. Note: Home-based settings serve a small number of children in Norway and were not included in the survey. Adjusted differences in Panel B were estimated with an OLS regression, including all three variables using the existence of waiting list of children who could not enrol as the dependent variable. Significant differences are shown in solid colour.

Source: OECD (2019^[9]), TALIS Starting Strong Database 2018, <http://www.oecd.org/education/school/oecdalisstartingstrongdata.htm>.

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In Germany, Israel and Norway, a large proportion of centre leaders report the existence of such a list, with up to 60% of German centre leaders reporting so (Figure 2.4). Waiting lists are less prevalent in home-based settings in Germany, but are present in approximately 40% of settings, similar to home-based settings in Israel. Beyond the question of the fairness of the process for allocating places, an insufficient supply of ECEC creates issues for families with children who cannot enrol and have to search for alternative solutions that might impose extra constraints on their budget and family and work organisation.

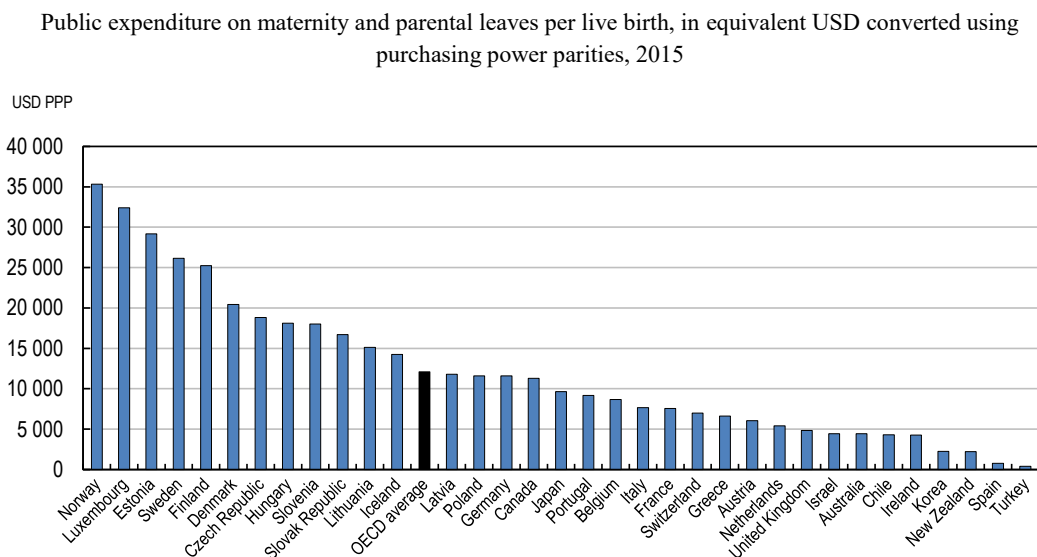
A comparison of centre leaders' reports according to centre characteristics gives insight into which centres face the greatest pressure to meet demand. In Germany and Norway, leaders in centres located in large cities more often have to put children on a waiting list (Figure 2.4). In addition, in Germany, centres located in neighbourhoods that leaders do not consider as good to raise children are also more likely to put children on a waiting list. This raises some equity concerns given that these neighbourhoods tend also to be those with more social difficulties. In all three countries, public and private centres are similar in terms of waiting lists.

Alternatives to early childhood education and care services for children under age 3

Besides ECEC services, families have two other possibilities for the education and care of their young children: family care and informal childcare. For families where both parents were initially working, family care entails a costly reduction in labour force participation, with one of the parents, oftentimes the mother, working part-time or quitting the labour force. ECEC services for children under age 3 are part of larger government programmes designed to foster child well-being and development, but also female labour force participation and fertility.

In most countries, parents are entitled to paid parental leaves at childbirth. Figure 2.5 summarises how much countries fund parents for caring for their youngest children, although the specifics of these parental leaves vary according to country, both in terms of the duration and the parent's gender (OECD, 2020^[3]). These benefits are the highest in Nordic countries, where they exceed USD 20 000 per live birth. However, they vary a lot, with an average of USD 12 000 across OECD countries, to less than USD 5 000 for a number of countries, such as Chile or Korea. They barely exist in Spain or Turkey.

Figure 2.5. Public expenditures on parental leaves

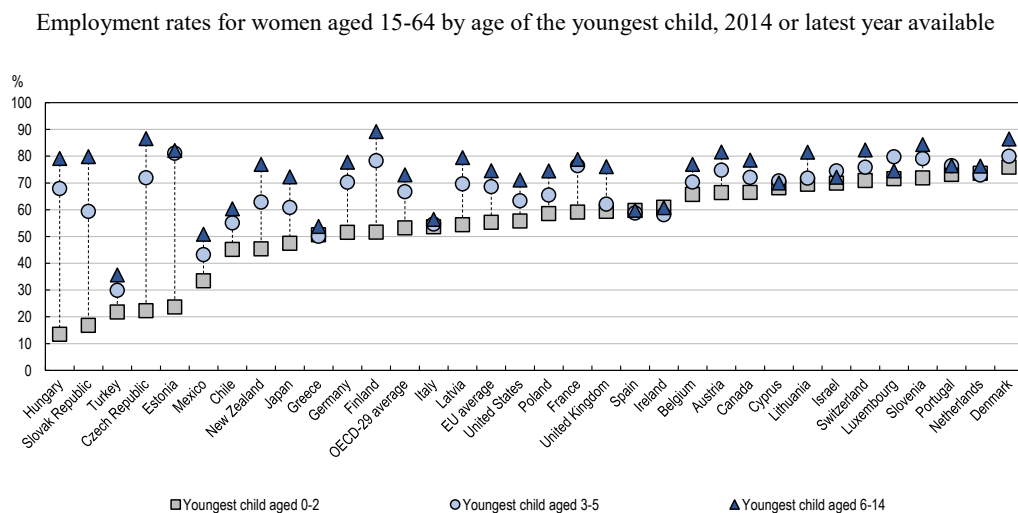


Source: OECD (2018^[10]), "Summary of paid leave entitlements available to mothers", *OECD Family Database*, www.oecd.org/els/soc/PF2_1_Parental_leave_systems.xlsx.

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In many countries, mothers of children under age 3 are likely to decrease their labour force participation (Figure 2.6). The most dramatic drop is found in Hungary, where only 12% of mothers of children under age 3 work, while most of those who do not will come back to the labour force once their children are above 3, since almost 70% of mothers with their youngest child aged between 3 and 5 work. Such important gaps in female employment are also observed in the Czech Republic, Estonia and the Slovak Republic. In many countries, including Finland and Germany, lower but still sizeable decreases in labour force participation exist for mothers of children under age 3. Importantly, employment rates for mothers whose youngest children are between ages 3 and 5, an age at which most enrol in ECEC services, are closer to those of women with older children. This suggests that many mothers who stopped working resume their participation in the labour market once their children enrol in ECEC services. These figures do not account for the difference between mothers who decide to work part-time in order to look after their children and those who work full-time.

Figure 2.6. Employment rates for women with children



Note: Data are not available for Norway.

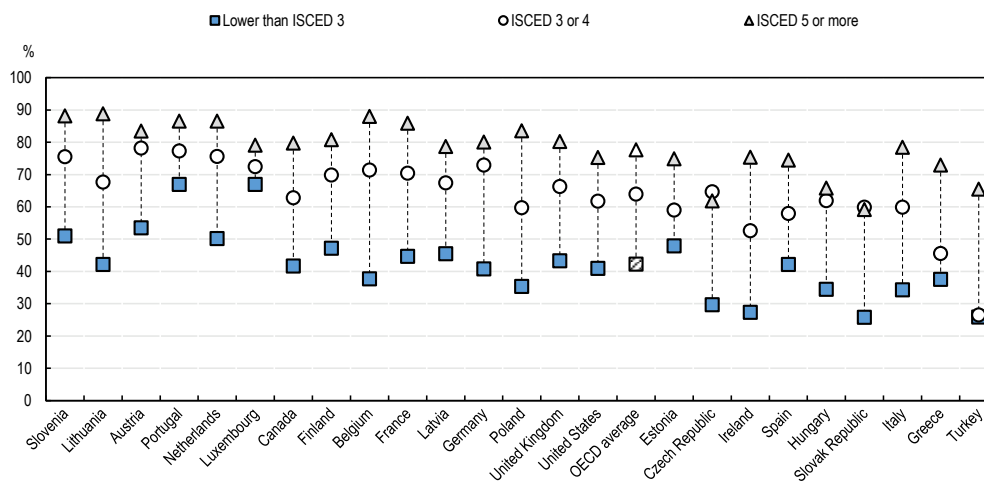
Source: OECD (2016^[11]), "Maternal employment rates, 2014 or latest available year", *OECD Family Database*, www.oecd.org/els/soc/LMF_1_2_Maternal_Employment.xlsx.

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ECEC services for children under age 3 are more likely to be used by families in which the mother works. The pattern of mothers' employment by education clearly shows that those with a tertiary education (ISCED 5 or more) are more often employed than those with a lower education (Figure 2.7). This is especially true with respect to mothers who did not finish upper secondary school (less than ISCED 3), who have an employment rate of 40% on average across OECD countries, half of the one observed for mothers with a tertiary education. The research literature suggests that the impact of ECEC services on a child's development is the highest for children from the least educated families (Ladd, 2017^[12]). The extension of ECEC services to these families would bring a double dividend, first by improving their children's prospects, and second by facilitating the participation of mothers in these families in the labour force.

Figure 2.7. Maternal employment rates by level of education

Employment rates for women (15-64 years old) with children (aged 0-14) by level of education, 2014 or latest year available



Note: Data are not available for Denmark, Israel or Norway.

Source: OECD (2016^[11]), "Maternal employment rates, 2014 or latest available year", *OECD Family Database*, www.oecd.org/els/soc/LMF_1_2_Maternal_Employment.xlsx.

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Organisation and governance of settings for children under age 3 in participating countries

The four countries participating in TALIS Starting Strong for settings for children under age 3 differ in the organisation of these settings. More than for other levels of education, ECEC relies on funding and governance from a mix of sources, and settings for children under age 3 in particular often have specific standards and regulations, even when governed by the same authority as ECEC for older children (OECD, 2017^[2]; 2018^[13]). The mix of types of ECEC settings and levels of oversight for these settings can create networks of services that are adapted to local needs and demand, but can also pose challenges for ensuring consistent quality throughout the system. This section describes the key differences in the organisation, governance and funding of settings for children under age 3 in participating countries before describing the different authorities with responsibility for the management of ECEC settings, approaches to monitoring these settings and limits to leaders' effectiveness.

Governance and types of settings

Israel stands out among the countries participating in TALIS Starting Strong for children under age 3 as having the only split ECEC system. In Denmark, Germany and Norway, a single national ministry oversees ECEC for children from birth or age 1 until entry into primary school, and in some cases this national authority is responsible for both ECEC and education at the primary level and beyond. In Israel, the Ministry of Labour, Welfare and Social Affairs has oversight for ECEC settings for children under age 3 and the Ministry of Education has oversight for ECEC settings for children from age 3 and up. This report focuses only on settings under the authority of the Ministry of Labour, Welfare and Social Affairs.

The governance of ECEC settings for children under age 3 has implications for the organisation of these settings. In Denmark, Germany and Norway, some settings include both children under age 3 and over age 3. In Israel, ECEC settings serve children up to and including age 3 (Table 2.1). In each of these settings, children can be further grouped in classrooms/playrooms according to their age within the under 3 age group. In Israel, three age groups are distinguished in the formal system: babies from 6 to 15 months; young toddlers from 16 to 24 months; and toddlers from 25 to 36 months. These different arrangements result in ECEC settings with varying proportions of children under age 3 in the participating countries (see Chapter 3), with implications for the practices used to support process quality (see Chapter 4).

Table 2.1. Organisation and governance of early childhood education and care (ECEC) settings for children under age 3

Country	Name of ECEC setting in English	Name of ECEC setting in local language	Age range covered	Centre-based or home-based	Name of highest authority in charge
Denmark	Nursery	Vuggestue	0-2	Centre-based	Ministry for Children and Education
	Home-based day care	Dagleje	0-2	Home-based	
	Integrated day care	Integreerede institutioner	0-5	Centre-based	
Germany	ECEC centre for all age groups 0-6/school entry	(Kinder-)Tageseinrichtung für Kinder aller Altersgruppen	0-6/school entry	Centre-based	Federal Ministry for Family Affairs, Senior Citizens, Women and Youth
	ECEC centre for children under 3	(Kinder-)Tageseinrichtung für Kinder unter 3, called Krippe	0-3	Centre-based	
	Family day care	Kindertagespflege	0-6	Home-based	
Israel	Day care centre	מֵעוּן	4 months ¹ to 3 years	Centre-based	Ministry of Labour, Welfare and Social Affairs
	Family day care centre	משפחתון	4 months ¹ to 3 years	Home-based	
Norway	Kindergarten	Barnehage	1-5	Centre-based	Ministry of Education and Research
	Family kindergarten	Familiebarnehage	1-5	Home-based	

1. Formal entrance age is 6 months. However, settings routinely accept children aged from 4 months onwards.

Note: Home-based settings in Norway were not included in the survey and are therefore shaded in grey.

Source: OECD (2019^[14]), "OECD Network on Early Childhood Education and Care: Quality beyond Regulations survey", Internal document, OECD, Paris.

Formal ECEC for children under age 3 can be either centre-based or home-based, meaning it can occur either in a centre or in a provider's home. These two types of settings exist in the four participating countries, but home-based settings were not included in TALIS Starting Strong in Norway because they serve only a small number of children (Table 2.2). Home-based providers of ECEC typically work with a smaller number of children compared to the number of children who can attend centre-based settings.

Table 2.2. Percentage of home-based settings in TALIS Starting Strong

Sampling estimates of different setting types, home-based compared to centre-based

	Percentage of home-based settings among all settings represented in TALIS Starting Strong
Germany*	16%
Israel	60%
Denmark**	16%

* Estimates for sub-groups and estimated differences between sub-groups need to be interpreted with care. See Annex A for more information.

** Low response rates in the survey may result in bias in the estimates reported and limit comparability of the data.

Note: Home-based settings serve a small number of children in Norway and were not included in the survey.

Source: OECD (2019^[9]), *TALIS Starting Strong 2018 Database*, <http://www.oecd.org/education/school/oecdalisstartingstrongdata.htm>.

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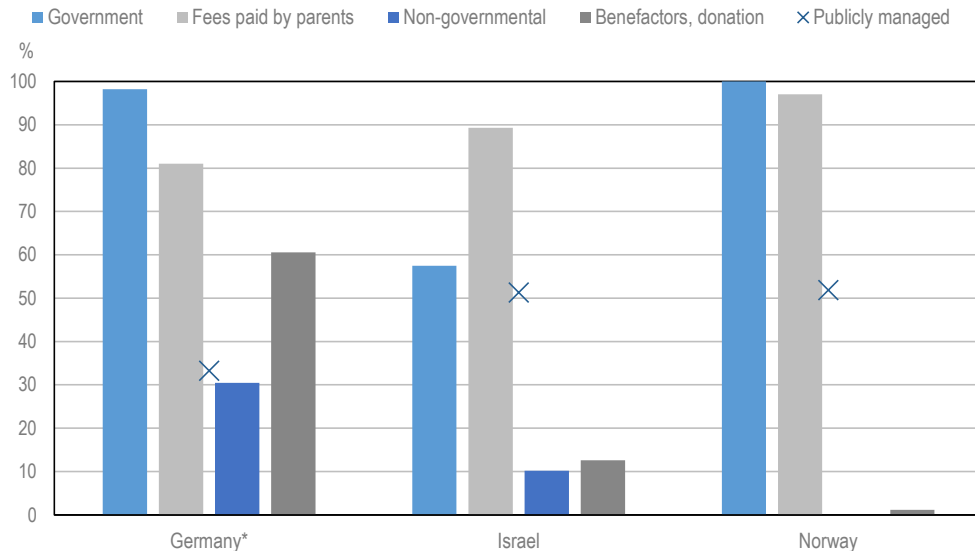
Funding

Most settings in TALIS Starting Strong receive government funding (Figure 2.8). However, fewer settings in Israel report receiving any government funding, with only 57% of centre-based and 78% of home-based leaders reporting this type of funding, compared to over 95% of leaders in the other countries. Fees paid by parents are also a common source of funding in settings for children under age 3 in most countries and settings, with the exception of Denmark (with low response rates) and home-based settings in Germany, where fewer than half of leaders report this type of funding. Funding from non-governmental organisations and from benefactors and donations are most common in centre-based settings in Germany and less common across other settings and countries. Notably, while the integrated systems in Denmark, Germany and Norway have similar funding profiles for settings for children under age 3 and pre-primary settings, in Israel it is less common that settings for children under age 3 receive government funding and these settings more often collect fees from parents than is the case for pre-primary settings (OECD, 2019^[15]).

TALIS Starting Strong asks ECEC centre leaders whether the centre is publicly or privately managed, referring to the organisation responsible for the day-to-day management of the centre regardless of the ownership or funding sources of the centre. A publicly managed ECEC setting is one in which day-to-day management is under the responsibility of a public education authority, government agency or municipality. The setting is considered as privately managed when this day-to-day management is under the responsibility of a non-governmental organisation, private person or institution (e.g. church, synagogue or mosque, trade union, business). Publicly and privately managed settings can both rely on government funding as well as funding from other sources. In addition, both publicly and privately managed settings can be supervised and regulated by public authorities. Publicly managed settings represent approximately half of centre-based settings in Israel and Norway (Figure 2.8), and are even more common among home-based settings in Israel (78%). In Germany, about one-third of centre-based settings and no home-based settings are publicly managed. In Denmark (with low response rates), a majority of settings are publicly managed.

Figure 2.8. Sources of funding and type of management in centre-based early childhood education and care settings

Percentage of leaders who report the following sources of funding for their centres and public vs. private management



* Estimates for sub-groups and estimated differences between sub-groups need to be interpreted with care. See Annex A for more information. Source: OECD (2019^[9]), *TALIS Starting Strong 2018 Database*, <http://www.oecd.org/education/school/oecdalisstartingstrongdata.htm>.

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Management and monitoring of early childhood education and care settings

Responsibility for various aspects of centre management can fall under the auspices of different authorities. TALIS Starting Strong asks leaders whether key administrative functions are managed by them and staff at their settings, by a governing board, or by a government authority (including local, regional and national authorities). Leader and staff responsibility for these various tasks is often associated with stronger reported process quality (OECD, 2019^[15]). In centre-based settings for children under age 3, staff and leaders have “significant responsibility” for most tasks included in the survey, and particularly around choosing the materials and activities used in the centre (Table 2.3). In Germany, governing boards have a central role across tasks, often working with centre-based leaders and staff. In Denmark, Germany and Norway, administrative authorities have some responsibility for setting staff salaries whereas in Israel, these higher authorities do not have significant responsibility for any aspects of centre management, according to leaders.

Table 2.3. Responsibilities of centre leaders, governing boards and administrative authorities in early childhood education and care settings

Centre-based leader reports of stakeholders that most commonly have “significant responsibility” for the following tasks

	Germany*	Israel	Norway	Denmark**
Appointing or hiring staff	Centres with boards	Mostly centres	Mostly centres	Centres, sometimes with boards
Dismissing or suspending staff	Boards, sometimes with centres	Centres or boards	Mostly centres	Mostly centres
Establishing staff salaries	Authority or boards	Boards, sometimes centres	Authority	Authority or centres
Deciding on budget allocations within the centre	Centres, sometimes with boards	Centres, sometimes with boards	Centres, sometimes with boards	Centres, sometimes with boards
Establishing monitoring plans for children’s development	Mostly centres	Mostly centres	Mostly centres	Mostly centres
Approving children for admission	Centres, sometimes with boards	Centres, sometimes with boards	Centres, sometimes with authority	Mostly authority
Choosing which materials/toys are used	Centres	Centres	Centres	Centres
Deciding which activities to offer to children	Centres	Centres	Centres	Centres

* Estimates for sub-groups and estimated differences between sub-groups need to be interpreted with care. See Annex A for more information.

** Low response rates in the survey may result in bias in the estimates reported and limit the comparability of the data.

Notes: Leader reports of the stakeholders with “significant authority” are not mutually exclusive. Information summarised in the table reflects the most typical response or combination of responses within each country from among the three response options: leaders and/or other members of staff; governing board; local/regional/national authority.

Source: OECD (2019^[9]), *TALIS Starting Strong 2018 Database*, <http://www.oecd.org/education/school/oecdalisstartingstrongdata.htm>.

Monitoring ECEC settings through external evaluation helps ensure minimum standards are met and can improve the quality of the education and care provided. However, according to leaders in centre-based settings for children under age 3, external evaluation does not necessarily occur on a regular basis. Across the four countries participating in TALIS Starting Strong, audits regarding the financial management of centres is the most common type of monitoring among the strategies leaders were asked about (Table 2.4). In Israel, two-thirds of leaders report such audits occur at least annually and the share of leaders reporting this in the other countries is even higher. Other aspects of monitoring are more common in Israel compared to the other participating countries. Notably, fewer than half of leaders in Germany and Norway report inspections regarding process quality (e.g. quality of interaction with children, content of activities) occur at least annually. Such inspections can be an important way to promote quality and ongoing improvement within centres.

The monitoring of ECEC settings is also important to ensure homogeneous quality across settings. In Germany and Israel, data suggest that inspection of the four elements considered in the survey occurs less frequently in home-based settings than in centre-based ones, especially the inspection of facilities in Germany and of process quality in Israel. Monitoring for home-based settings can be challenging given that these settings can be quite small and dispersed and therefore require disproportionate resources to ensure regular evaluation.

Table 2.4. External evaluation of centre-based early childhood education and care settings

Percentage of leaders reporting that each of the following types of external evaluation occur at least once per year

	Centre-based settings				Home-based settings		
	Germany*	Israel	Norway	Denmark**	Germany*	Israel	Denmark**
Inspection regarding structural quality (e.g. child-teacher ratio, qualification levels of staff)	47%	79%	68%	55%		73%	
Inspection regarding process quality (e.g. quality of interaction with children, content of activities)	42%	76%	37%	56%		62%	
Inspection of facilities (e.g. space, equipment, furniture, health and safety)	68%	88%	53%	53%		81%	
Audit regarding financial management	74%	66%	85%	85%		24%	

* Estimates for sub-groups and estimated differences between sub-groups need to be interpreted with care. See Annex A for more information.

** Low response rates in the survey may result in bias in the estimates reported and limit the comparability of the data.

Notes: Colours vary from dark grey (0%) to white (50%) to dark blue (100%). Home-based settings serve a small number of children in Norway and were not included in the survey. Due to the limited sample sizes, which resulted in large standard errors, only colours (no percentages) are displayed for staff working in home-based settings in Denmark and Germany.

Source: OECD (2019^[9]), *TALIS Starting Strong 2018 Database*, <http://www.oecd.org/education/school/oeedtalisstartingstrongdata.htm>.

StatLink  <https://doi.org/10.1787/888934147346>

Due to the complexities of the organisation, governance, management and oversight of the ECEC sector, leaders can face many challenges in achieving their desired outcomes at work. TALIS Starting Strong asks leaders about the barriers to their effectiveness. In centres for children under age 3, staff absences and staff shortages are among the most common barriers leaders report in all four countries (Table 2.5). In general, leaders in Norway report fewer limits on their effectiveness compared with leaders in the other countries. In Germany, in addition to concerns about staff absences and shortages, more than half of leaders report that government regulation and policy is a barrier to their effectiveness. As ECEC settings in Germany are largely governed by the *Länder* with only some regulations coming from the Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, leader responses may reflect the complexities of operating in a federal system and may also vary by region.

Table 2.5. Barriers to leaders' effectiveness in centre-based early childhood education and care settings

Percentage of centre-based leaders who report the following limit their effectiveness "quite a bit" or "a lot"

	Germany*	Israel	Norway	Denmark**
Inadequate budget and resources	37%	39%	25%	65%
Government regulation and policy	57%	32%	19%	30%
Staff absences	78%	70%	29%	42%
Staff shortages	62%	73%	18%	46%
Lack of parent involvement and support	31%	14%	0%	16%
Lack of opportunities and support for my own professional development	18%	24%	1%	17%
Lack of opportunities and support for staff professional development	24%	37%	6%	32%

* Estimates for sub-groups and estimated differences between sub-groups need to be interpreted with care. See Annex A for more information.

** Low response rates in the survey may result in biases in the estimates reported and limit the comparability of the data.

Note: Colours vary from dark blue (0%) to white (50%) to dark grey (100%).

Source: OECD (2019^[9]), *TALIS Starting Strong 2018 Database*, <http://www.oecd.org/education/school/oeedtalisstartingstrongdata.htm>.

StatLink  <https://doi.org/10.1787/888934147365>

Conclusion

This chapter presented the policy and institutional context that shapes the provision of ECEC for children under age 3 in the four countries participating in TALIS Starting Strong. Compared to other OECD countries, enrolment rates in ECEC settings are particularly high in Denmark and Norway at age 2 and in Israel at age 1 and below. Germany is in-between, with relatively high enrolment rates at the ages of 2 and 1. When taking into consideration both public and private expenditure, Germany and Norway spend more than many other countries per child in ECEC settings for children under age 3 while Israel spends relatively little.

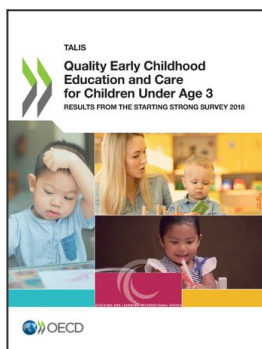
The organisation of the provision of ECEC for children under age 3 varies greatly across the four participating countries, and especially between Israel and the three other countries. The integrated systems in Denmark, Germany and Norway mean that ECEC settings often include children age 3 and older, in addition to children under age 3; however, this is not the case in Israel and the settings discussed in this report include only children under age 3 or age 3. In addition, home-based settings in Israel represent a majority of the settings for children under age 3, in contrast to Denmark and Germany, where home-based settings account for a smaller segment of ECEC provision. The larger share of settings that are privately managed and greater involvement of governing boards in the management of centres in Germany compared with the other participating countries is also relevant for understanding differences in structural and process quality. These different profiles of ECEC organisation and governance in the participating countries are important for understanding the findings presented in the subsequent chapters.

The findings from this chapter suggest several areas for policies:

1. **Ensure equitable access to quality ECEC.** The supply of ECEC for children under age 3 does not adequately meet the growing demand. TALIS Starting Strong data show that many settings maintain waiting lists of children who want to enrol and that settings in urban areas are more likely to have waiting lists than those in more rural areas. Expanding the supply of ECEC, especially in some areas, is an important challenge for policy makers to ensure that inequalities do not accumulate for some groups of children. This requires attracting staff to the profession (see Chapter 3), facilitating the process for opening centres, diversifying the type of ECEC provision and possibly, increasing public spending on the sector.
2. **Give attention to the cost and funding of high-quality ECEC.** As ECEC can benefit children, societies and economies as a whole, there is good reason for investing more in ECEC, and especially in ECEC for children under age 3. At the same time, the extremely large differences in the combined public and private expenditures per child suggest that several types of organisation can be considered, with different cost implications. As most governments face important budget constraints that are even greater as a consequence of the COVID-19 crisis, policy makers will need to carefully consider the cost of ECEC to balance the two main objectives of expanding enrolment and ensuring quality.
3. **Adequately monitor ECEC settings.** Because of the complexity of the sector, well-designed external evaluation is crucial to ensure minimum quality standards are met and differences in quality between types of settings do not develop. Monitoring must provide opportunities to improve quality rather than focusing solely on verifying that standards are being met. At the same time, policies must balance regular monitoring to encourage quality improvement with the administrative burden placed on ECEC settings and avoid frequent inspections that are simply compliance checks. This means that regular monitoring must address aspects of process quality, such as staff interactions with children, their ability to adapt practices to individual children's needs and interests, and support for parent/guardian engagement in both centre-based and home-based settings.

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