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Knowledge Sharing on Korea's Development in Women's Policies

# Child Care and Education Policies in Korea

Meehwa Lee

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## Child Care and Education Policies in Korea

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Knowledge Sharing on Korea's Development in Women's Policies  
**Child Care and Education Policies in Korea**

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Korean Women's Development Institute (KWDI) is a government-affiliated think-tank under the Prime Minister's Office of South Korea. It has contributed to realizing gender equality, improving women's social participation and welfare and advancing family life and state through comprehensive researches on women's policies.

## Foreword

Upon achieving an unprecedented economic growth in the last five decades, South Korea has transformed itself from being an aid recipient to an aid donor. Such growth was not confined to economic spheres only, but also apparent in social arena. Women's advancement was one of the areas which witnessed a dramatic transformation.

While there have been efforts to share Korea's development experience through means of Knowledge Sharing Program (KSP) spearheaded by South Korea's Ministry of Strategy and Finance (MOSF) and Development Experience Exchange Partnership (DEEP) by the Ministry of Foreign Affairs, there hasn't yet been an initiative with a comprehensive approach to share women's advancement experiences. The current study is the first of its kind to compile case analyses of women's development in various areas of the South Korean society.

"Child Care and Education Policies in Korea" is an essential part of KWDI's multi-year ODA project entitled "Strengthening Gender Equality Policy Infrastructure in the Asia-Pacific Region". This is a project aimed at establishing political and social infrastructure for gender-equal policy in the Asia-Pacific region. By promulgating these research findings through means of policy consultation, workshops and international conferences, KWDI hopes Korea's development experience in relation to gender equality will be beneficial to its partner countries. Moreover, KWDI hopes that this knowledge-sharing will foster potential gender-related ODA projects that the South Korean government can collaborate and cooperate on with its partner countries to promote gender equality in the region.

I hope the concerted efforts made by KWDI and partner countries will bring substantive and positive changes in the lives of women in Asia.

**Myung-Sun Lee, Ph.D.**

President

Korean Women's Development Institute



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## I. Introduction



Korea's child care and education policies are part of policies for the promotion of the work-life balance designed to develop future human resources, effectively react to low fertility, and enhance women's labor force participation. The child care education policies in Korea have attracted keen attention at the pan-governmental level, leading the Korean government to actively implement diverse child-rearing policies.

Korean government has carried out policies for relieving the burden that families have to shoulder for child-rearing, focusing on child care service expenses and the expansion of daycare centers. In the process, central and local governments have expanded their subsidies for child care facilities and child-rearing schemes to increase the number of recipients, diversifying support systems including subsidies for families and facilities. In terms of services, such policies have evolved into more customized systems reflecting the needs of parents, expanding extended-hours child care services (Lee, Yuh & Eom, 2012).

Other support policies have also been conducted. The Korean government introduced a service recipient-oriented system that will meet the needs of parents, at the same time, promoting various childbirth promotion policies. For example, childbirth and child-rearing subsidies are paid in cash when babies are born or until children reach a certain age. Moreover, a child care service system where caretakers are dispatched to each home was established, offering differentiated subsidies depending on the level of family income and providing child care subsidies to farmers and fishers based on separate criteria.

Policies for alleviating child care burden on families and enhancing the quality of services have also been enforced. Since March 2012, an early childhood education program has been carried out, enabling kindergartens or daycare centers to provide common child care and education services<sup>1)</sup> to children aged five. The program expanded to include children aged 3 to 4 in 2013.

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1) Child care and school expenses are paid to all social classes regardless of the level of parents' income

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As of 2014, the number of infants aged from zero to five is 2.74 million, 78.1% (2.14 million) of whom go to daycare centers (1.49 million) or kindergartens (650 thousand). About 600 thousand children are taken care of at their homes. 66% of infants (890 thousand) and 89.6% (1.25 million) of children were shown to attend child care facilities, which are higher than the OECD average in 2008 (Ministry of Health and Welfare, 2014a).

As of 2015, the number of infants and children aged five is about 3.19 million, 67% (2.12 million) of whom attend daycare centers (1.44 million) and kindergartens (680 thousand). About 1.01 million infants and children are looked after at their homes. 48% (860 thousand) of infants and 90% (1.26 million) of children were found to go to child care facilities, which are higher than the OECD average in 2008 (30% for infants and 77% for children) (Ministry of Health and Welfare, 2015).

Accordingly, the government's child care budget has significantly grown every year. As of 2014, central and local governments' budget for child care and education are about KRW 14.86 trillion, exceeding 1% of GDP.

Under this background, this paper aims to generally review Korea's facility-based dual support systems for early childhood care and education in terms of policy and program and to analyze related data, concentrating on policies for child care subsidies and the expansion of daycare centers among child care programs for infants and children aged zero to five. Finally, implications for developing countries will be drawn.

## II. Dual Structure and Policies for Child Care and Education in Korea

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Korea's child care and education policies are classified into early childhood education programs that have been implemented by the Ministry of Education from educational perspectives and early childhood care projects that have been carried out by the Ministry of Health and Welfare or the Ministry of Gender Equality and Family from welfare perspectives. In the early 2000s, the government's policies started to be shaped in detail and the early childhood care and education is dealt comprehensively. As the Second Child Care Policies were established (Presidential Advisory Committee on Aging and Future Society 2005), early childhood education and care policies have been carried out based on mid-to-long-term Plans (Yoo et al., 2014).

Early childhood care policies have been conducted in accordance with the *Child Care Initiative: the Mid-to-Long-Term Child Care Plan* (Ministry of Gender Equality and Family, 2006), the *Love-Children Initiative (2009-2012)* which came out after child care tasks were transferred to the Ministry of Health and Welfare, the *Second Mid-to-Long-Term Child Care Plan 2013 (2013-2017)*.

Early childhood education programs have long been implemented in accordance with the *Education Act*. In relation thereto, the *Plan on the Advancement of Early Childhood Education (2010-2012)* (Ministry of Education, Science and Technology, 2009) and the *Five-Year Plan on the Advancement of Early Childhood Education (2013-2017)* (Ministry of Education, 2013) have been formulated and carried out.



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〈Table II -1〉 Ministries for child care and education policies

Key Policies	Ministries and Committees	Year
The First Child Care and Education Policy	Presidential Advisory Committee on Aging and Future Society	Jun. 2004.
The Second Child Care and Education Policy	Presidential Advisory Committee on Aging and Future Society	May 2005.
The Child Care Initiative: First Mid-to-Long-Term Child Care Plan	Ministry of Gender Equality and Family	Jul. 2006.
The Love-Children Initiative (2009-2012)	Ministry of Health and Welfare	Apr. 2009.
The Second Basic Plan for Mid-to-Long-Term Child Care	Ministry of Health and Welfare	Dec. 2013.
The Plan for the Advancement of Early Childhood Education	Ministry of Education, Science and Technology	Dec. 2009.
The Five-Year Plan on the Advancement of Early Childhood Education	Ministry of Education	Feb. 2013.
The Establishment of the Task Force for the Integration of Early Childhood Care and Education	Office for Government Policy Coordination	Feb. 2014.

## 1. Changes in Korea's Child Care Policies

Since the 1920s featuring the continued development of child care policies, Korea's child care programs have been established and implemented to properly protect and educate children and to support the economic activities of parents. Over the years, the programs have diversely linked with social welfare policies for alleviating social polarization, population policies for resolving low-fertility issues, family policies for promoting work-life balance, labor market policies for enhancing women's participation in economic activities, and early childhood education policies for including education and protection into child care, with the policy focus changing depending on circumstances(Lee, Yuh & Eom, 2012).

The central government's child care budget soared from KRW 300 billion in

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2003 to KRW 4.9439 trillion in 2015, which is over 16-fold in only 12 years. The number of daycare centers skyrocketed from 1,919 in 1990 to 43,742 (1,496,671 children) in 2014 by about 9-fold. In particular, infants and children aged 0 to 2 who attend daycare centers numbered 890,573 in 2014, showing that the share of children going to daycare centers in the same age group jumped from 11.8% in 2002 to 34.3% in 2014.

With the rise of demand for child care services, the Korean government has focused on developing the child care industry through the improvement of child care facilities in quantity and quality. Korea's child care policies have been strengthened through the *First Mid-to-Long-Term Child Care Plan 2006 (Child Care Initiative, 2006-2010)* and its upgraded version, the *Love-Children Initiative (2009-2012)*, with the *Second Mid-to-Long-Term Child Care Plan (2013-2017)* as established in 2013 being currently implemented. At the point when the child care subsidy system, a core issue for the previous child care policies, expanded to include all children aged zero to five, the Second Plan was formulated, thereby concentrating on system improvements for maximizing policy effects.

In other words, the government has promoted policy changes, quickly resolving issues such as the depletion of financial resources due to free child care support, a rise in burden on families attributed to extracurricular activities, and a uniform child care system based on all-day programs, and reinforcing assessment and follow-up management systems to improve the quality of child care services. It is because it has been pointed out that existing child care policies have focused on expanding private infrastructure-based services and promoting quantitative improvements such as child care subsidies, lowering the quality of services and thereby failing to satisfy the needs of parents. Therefore, key issues facing the government in the era of universal child care support can be summarized as follows: 1) less burden on child care and child-rearing; 2) customized child care support for service recipients; 3) reinforcement of public nature and quality management; 4) creation of an environment for high-quality

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child care; 5) establishment of a reliable and transparent child care ecosystem; and 6) improvements in child care finance and service delivery systems.

〈Table II -2〉 Mid-to-long-term child care plan and policy issues

Child care Initiative (2006–2010)	Love-children Initiative (2009–2012)	2013 Mid-to-long-term Child Care Plan	
Details	Details	Policy Issues	Details
<ul style="list-style-type: none"> <li>Increasing child care subsidies</li> <li>Introducing a basic subsidy system</li> </ul>	<ul style="list-style-type: none"> <li>Expanding free child care services for those who use child care facilities</li> <li>Offering child care subsidies to those who do not use facilities</li> </ul>	<ul style="list-style-type: none"> <li>Easing child care burden on parents</li> </ul>	<ul style="list-style-type: none"> <li>Offering child care subsidies to all families with children aged zero to five</li> <li>Offering realistic child care subsidies and alleviating financial burden on parents.</li> </ul>
<ul style="list-style-type: none"> <li>Diversifying child care facility's service hours</li> <li>Promoting care for children with disabilities</li> <li>Expanding child care services in farming and fishing communities</li> <li>Promoting after-school child care programs</li> <li>Facilitating comprehensive child care services, etc.</li> <li>Promoting infant-care services</li> <li>Reinforcing support for employed parents</li> </ul>	<ul style="list-style-type: none"> <li>Considering the individual characteristics of children (from multicultural families, with disabilities) more effectively.</li> <li>Considering the characteristics of parents (double-income and single-parent families, parents with disabilities, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Offering reasonable child care services customized to meet the needs of service recipients</li> </ul>	<ul style="list-style-type: none"> <li>Offering customized services, considering the characteristics of children and families</li> <li>Offering customized services to children with disabilities or from multicultural families</li> </ul>
<ul style="list-style-type: none"> <li>Expanding child care facilities depending on mid-to-long-term plans</li> <li>Expanding national and public child care facilities</li> </ul>	<ul style="list-style-type: none"> <li>Expanding safe and reliable facilities near homes</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the public nature of child care and quality management</li> </ul>	<ul style="list-style-type: none"> <li>Expanding safe and reliable daycare centers</li> <li>Reinforcing connections between service quality and a system for 'entry, operation, and exit'</li> </ul>

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Child care Initiative (2006–2010)	Love-children Initiative (2009–2012)	2013 Mid-to-long-term Child Care Plan	
Details	Details	Policy Issues	Details
<ul style="list-style-type: none"> <li>• Improving child care facilities</li> <li>• Strengthening health, nutrition, and safety management</li> <li>• Improving the expertise of child care service providers and giving better treatments to them</li> <li>• Developing and disseminating standard child care programs</li> </ul>	<ul style="list-style-type: none"> <li>• Offering high-quality programs and a safe and comfortable child care environment.</li> <li>• Managing qualifications and providing appropriate working conditions to encourage teachers to have a pride in their work</li> <li>• Creating an optimized working environment for child care</li> </ul>	<ul style="list-style-type: none"> <li>• Creating a high-quality child care environment</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening the capabilities of child care service providers and giving better treatment to them</li> <li>• Operating high-quality child care programs</li> <li>• Establishing a basic framework for a safe child care environment</li> </ul>
<ul style="list-style-type: none"> <li>• Establishing a child care administration system</li> <li>• Promoting local government's child care policies.</li> <li>• Boosting communities' participation and enhancing transparency in facility management.</li> </ul>	<ul style="list-style-type: none"> <li>• Encouraging parents to take part in handling policies and facilities</li> </ul>	<ul style="list-style-type: none"> <li>• Establishing a reliable and transparent child care ecosystem</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitating cooperation via information disclosure, parents and communities' participation, etc.</li> <li>• Adopting an efficient and systematic administration system</li> </ul>
<ul style="list-style-type: none"> <li>• Expanding child care infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• Enable parents to more quickly and easily benefit from child care services</li> <li>• Enable child care facilities and local governments to conveniently handle administrative processes.</li> <li>• Strengthen policy research on child care.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve child care service-related finance and delivery systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Enhancing a one-stop and more effective delivery system</li> <li>• Leading central and local governments to share costs and securing a stable financial resources</li> <li>• Devising a plan for the Korean-model integration of early childhood care and education.</li> </ul>

## 2. Changes in Korea's Early Childhood Education Policies

Korea's early childhood education policies have developed with the aim of cultivating future human resources, with keener attention being paid to its economic efficiency. In particular, supposing that the same investment costs apply by life cycle, the period of infancy and early childhood are characterized by a period with the highest return on investment in human resources, and thus this period is deemed to be very meaningful in terms of efficiency (OECD, 2006). Against this backdrop, advanced nations in child care and education have expanded public investment into the area of early childhood education to narrow education gaps early in life and to provide higher-quality services. The ultimate goal thereof is to enhance national competitiveness.

Pre-school education services need to be provided in the form of public education to ensure equal opportunities and fairness in the initial stage of education. This has been especially highlighted, in that all pre-school children should be given fair high-quality education services regardless of their residential districts and their parents' income level. Korea's early childhood education dates back to 1910 when a kindergarten was first established. After the *Early Childhood Education Act* was enacted in 2004, the *Plan on the Advancement of Early Childhood Education* (Ministry of Education, 2012) was formulated. The *Five-Year Plan on the Advancement of Early Childhood Education* was established and announced in February 2013 with the aim of ensuring children fair and equal educational opportunities by laying the ground for compulsory education with the vision of making children happy through fair educational services. As shown in <Table II-3>, the *Five-Year Plan on the Advancement of Early Childhood Education* proposes the following five policy areas, as well as key projects by area: 1) expanding opportunities for early childhood education; 2) improving the efficiency of kindergarten operation; 3) substantiating educational courses and

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after-school programs; 4) reinforcing teachers' expertise and self-respect; and 5) strengthening early childhood education support systems.

〈Table II -3〉 Policy areas and key projects of the Five-Year Plan on the Advancement of Early Childhood Education (2013)

Areas	Key Projects
1. Expanding opportunities for early childhood education	<ul style="list-style-type: none"> <li>• Expanding free early childhood education services continuously</li> <li>• Optimizing the new establishment and enlargement of kindergartens</li> <li>• Establishing kindergarten information disclosure systems</li> <li>• Establishing appropriate standards for kindergarten facilities</li> <li>• Improving the educational environment for kindergartens: meal services, health management, and safety</li> </ul>
2. Improving the efficiency of kindergarten operation	<ul style="list-style-type: none"> <li>• Enhancing the operation of public kindergartens</li> <li>• Improving support systems for private kindergartens</li> <li>• Improving kindergarten assessment services</li> <li>• Introducing financial and accounting systems for kindergartens</li> <li>• Establishing and developing a kindergarten operation committee</li> </ul>
3. Substantiating educational courses and after-school programs	<ul style="list-style-type: none"> <li>• Substantiating the operation of early childhood education programs</li> <li>• Continuously improving early childhood education programs</li> <li>• Introducing a certification system for teaching materials and equipment, using exemplary programs</li> <li>• Substantiating the operation of after-school programs</li> <li>• Employing teachers for after-school programs</li> </ul>
4. Reinforcing teachers' expertise and self-respect	<ul style="list-style-type: none"> <li>• Strengthening qualification standards for early childhood education program teachers</li> <li>• Supporting customized training to improve expertise</li> <li>• Establishing systems for developing and evaluating kindergarten teachers</li> <li>• Improving systems for employing and managing kindergarten teachers</li> <li>• Strengthening the ethics of kindergarten teachers and improving their working environment</li> </ul>
5. Strengthening early childhood education support systems	<ul style="list-style-type: none"> <li>• Establishing an early childhood education information system</li> <li>• Promoting the operation of the Early Childhood Education and Development Institute and the Early Childhood Experience Education Institute</li> <li>• Reinforcing the promotion of early childhood education</li> <li>• Strengthening local and global cooperation networks for early childhood education</li> <li>• Reinforcing operational support for education programs for children aged three to five</li> </ul>

### 3. Dual Structure for Early Childhood Care and Education and Their Integration

Korea's child care support system consists of an early childhood care system and an early childhood education system. Kindergartens and daycare centers have fulfilled different roles in terms of function(Lee et al., 2013). The former have been responsible for education while the latter have been in charge of child care. However, both of them recently started carrying out similar roles such as education and protection. Given that they were established to achieve different goals, kindergartens and daycare centers have both similarities and differences in the context of policy aims. They can be compared as shown in <Table II -4> in terms of responsible Ministries, legal bases, education and child care service recipients, key functions, and the government's subsidies.

<Table II -4> Korea's early childhood care and education

		Early Childhood Education	Early Childhood Care
Responsible Ministries		Ministry of Education	Ministry of Health and Welfare
Legal Bases and Characteristics		Early Childhood Education Act (enacted in 2004)	Infant and Child Care Act (enacted in 1991)
Service Recipients		Aged three to five	Aged zero to five (after-school child care till the age of 12)
Functions		Education (as a main function) and protection	Protection (as a main function) and education
Education/ Child care Expenses	National/ Public	Decided by superintendents of education offices in cities and provinces, considering inflation, etc.	Decided by mayors and governors within the scope of unit costs paid by the government.
	Private/ Home	At the discretion of private organizations (administrative guidance)	Decided by mayors and governors, considering inflation, etc. (Article 38 of the Infant and Child Care Act)
Government's Subsidies		KRW 220,000 (children aged 3 to 5)	KRW 406,000 (infants aged 0) KRW 357,000 (infants aged 1) KRW 295,000 (infants aged 2) KRW 220,000 (infants aged 3 to 5)

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On the other hand, they can also be compared as shown in <Table II-5> in the context of operation hours, education/child care, teachers' qualification, teacher to child ratios, and facility standards.

<Table II-5> Early childhood care and education

		Early Childhood Education	Early Childhood Care
Operation Hours		Basic course (4-5 hours) and after-school	12 hours (7:30-19:30) and extended-hours service
Education/ Child care		-	Standard child care course (for those aged zero to two)
		Early childhood education program1) (for those aged three to five)	Early childhood education program (for those aged three to five)
Teachers' Qualifications		Kindergarten teacher's license (levels 1 and 2) (junior college graduates or higher, department system)	Child care teacher's license (levels 1, 2, and 3) (high school graduates or higher, credit system)
Teacher to Child Ratios		Decided by superintendents of education offices in cities and provinces. Seoul: 3, western age: 1:18; 4, western age: 1:24; five, western age: 1:28; mixed-age class: 1:23.	Article 10, Attached Table 2 of Enforcement Regulations of the Infant and Child Care Act: 0, western age: 1:3, 1, western age: 1:5, 2, western age: 1:7, 3, western age: 1:15, 4~5, western age: 1:20
Facility Standard	Area	40 children or less: $5 \times (\text{quota}) \text{ m}^2$ 41 children or more: $(80+3) \times (\text{quota}) \text{ m}^2$	4.29m <sup>2</sup> per infant or child (excluding the playground)
	Others	Playground: 160m <sup>2</sup> (40 children or less), 120 + (quota) m <sup>2</sup> (41 children or more)	Child care room: 2.64m <sup>2</sup> per infant or child Playground: 3.5m <sup>2</sup> per infant or child (quota: 50 children or more)

Note: 1) The early childhood education program is a common course into which standard daycare center child care courses and kindergarten education courses for children aged three to five are integrated.

With the recent change in child care policies, the integration of early childhood care and education has emerged as a hot issue. The Korean government has promoted such integration due to some emerging issues as follows: 1) inequality



coming from differences in the conditions for early childhood education and care; 2) lack of an accountability system such as an absence of management and supervision for improving the quality of services; and 3) inconvenience in parents' use of daycare centers and kindergartens due to differences in target age, cost sharing, and complaint handling systems between the two. The integration of early childhood education and care aims to offer high-quality services to all infants and children by unifying education and child care systems that have been managed and operated in accordance with different criteria. Such integration process is designed to be gradually implemented, considering realities. The main goal thereof is to provide high-quality, fair, and equal services to all children, maintaining the diversity of facilities (Office for Government Policy Coordination, 2014).

In May 2013, the Committee for Promoting the Integration of Early Childhood Education and Care was organized based on cooperation between the private and public sectors. Thereafter, an integration model development team consisting of experts developed an integration model (plan). In December, based thereon, specific promotion plans were established, with an Early Childhood Education and Care Integration Promotion Division under the umbrella of the Prime Minister's Office being launched in February 2014. As of 2015, the government has completed and is carrying out the second and third stages, respectively, of the policy project composed of a total of three stages by factor. Giving top priority to improving the quality of education and care services, which has been highly demanded by parents, the Korean government is planning to complete specific projects step by step by 2016.

Elements under such integration are mainly as follows: responsible ministries, laws/regulations, quality control, teachers, curricula, service facilities, and financial resources. The first-stage projects for the integration in 2014 are as follows: 1) expanding, linking, and integrating information disclosure systems; 2) connecting and integrating assessment systems; 3) strengthening and integrating accounting rules; and 4) integrating payment cards. The second-stage projects for

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the integration in 2015 are as follows: 1) adjusting operation hours to narrow differences in regulations and operation environments; 2) allowing children aged zero to two to be sent to kindergartens; 3) integrating education and care courses; 4) revising regulations on the fee; 5) revising standards for facilities; 6) diversifying support systems for education and care; and 7) cultivating teachers and revising and connecting systems on teacher's qualifications. The third-stage projects for the integration in 2016 include the following: 1) reducing differences in working conditions of teachers for seamless integration; 2) integrating responsible ministries and financial resources.



### Ⅲ. Policies for Expanding Daycare Centers

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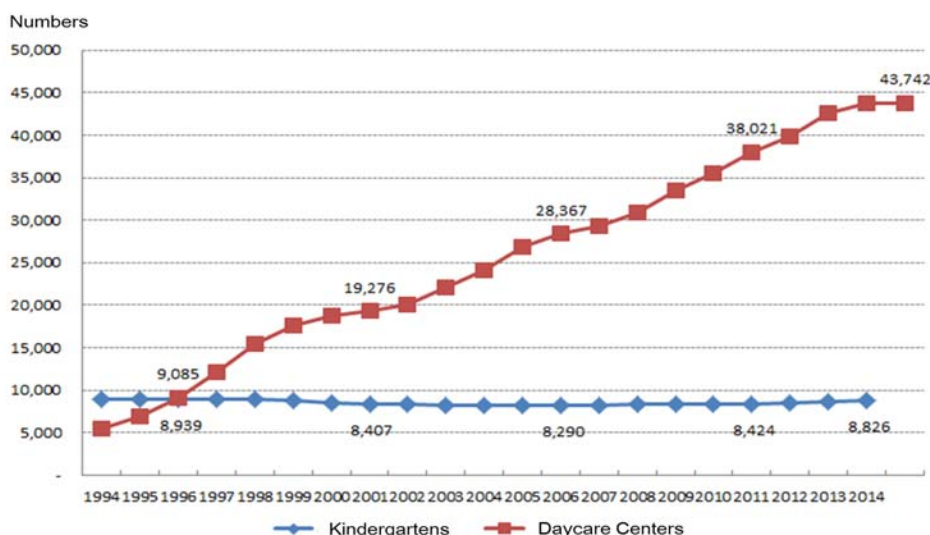


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## 1. Use of Child Care and Education Systems in Korea

### A. Changes in the number of daycare centers and kindergartens

[Figure Ⅲ-1] and <Table Ⅲ-1> show changes in the number of kindergartens and daycare centers that have been seen for more than two decades since 1993. Over the period, the number of kindergartens has changed little while the number of daycare centers has significantly risen every year. The number of kindergartens has relatively changed little, jumping until 1997 and dropping again until 2004. Such changes can also be reviewed by types of facility: The number of national and public kindergartens has grown since 2000 while the number of private kindergartens fell to 3,380 in 2006 and has since risen again every year. On the other hand, the number of daycare centers has continuously jumped over the past 20 or more years, reaching its peak (43,770) in 2013 and then slightly dropping to 43,742. Regardless of type, the number of daycare centers has continued to grow, with the number of private and home daycare centers rising more sharply (Korea Institute of Child Care and Education, 2015).



[Figure Ⅲ-1] Changes in the number of daycare centers and kindergartens (1993-2014)

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〈Table III-1〉 Changes in the number of daycare centers and kindergartens by year

Unit: number of kindergartens and daycare centers

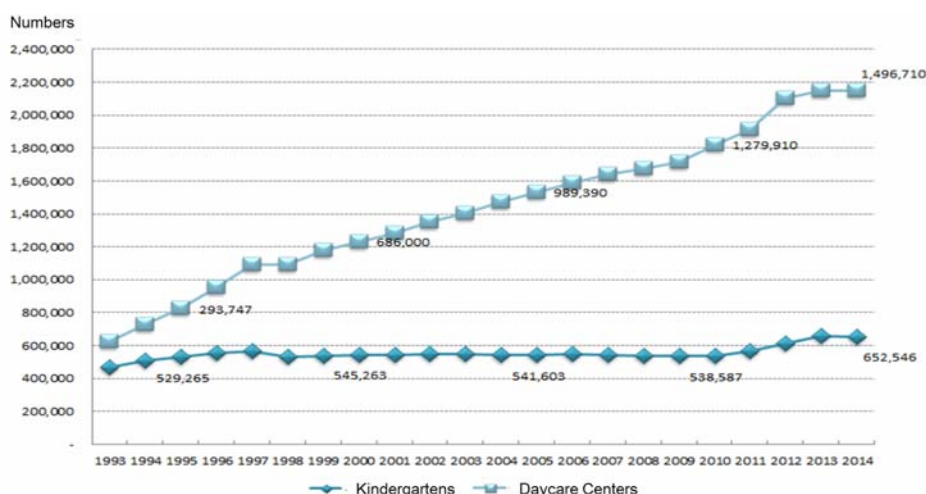
Classification	Kindergartens				Daycare Centers							
	Total	National	Public	Private	Total	National /Public	Social Welfare Foundations	Foundations, Groups, etc.	Private	Home	Parents	Workplace
1993	8,515	1	4,513	4,001	5,490	837	624	19	1,776	2,205	N/A	29
1994	8,910	1	4,460	4,449	6,975	983	807	17	2,267	2,864	N/A	37
1995	8,960	1	4,416	4,543	9,085	1,029	928	22	3,175	3,844	N/A	87
1996	8,939	1	4,392	4,546	12,098	1,079	1,280	69	4,688	4,865	N/A	117
1997	9,005	3	4,419	4,583	15,375	1,158	1,634	150	6,388	5,887	N/A	158
1998	8,973	3	4,452	4,518	17,605	1,258	1,927	227	7,468	6,541	N/A	184
1999	8,790	3	4,348	4,439	18,768	1,300	1,965	266	8,327	6,703	N/A	207
2000	8,494	3	4,173	4,318	19,276	1,295	2,010	324	8,970	6,473	N/A	204
2001	8,407	3	4,207	4,197	20,097	1,306	1,991	313	9,490	6,801	N/A	196
2002	8,343	3	4,237	4,103	22,147	1,330	1,633	575	10,471	7,939	N/A	199
2003	8,292	3	4,281	4,008	24,142	1,329	1,632	787	11,225	8,933	N/A	236
2004	8,246	3	4,325	3,918	26,903	1,349	1,537	966	12,225	10,583	N/A	243
2005	8,275	3	4,409	3,863	28,367	1,473	1,495	979	12,769	11,346	42	263
2006	8,290	3	4,457	3,830	29,233	1,643	1,475	1,066	12,864	11,828	59	298
2007	8,294	3	4,445	3,846	30,856	1,748	1,460	1,002	13,081	13,184	61	320
2008	8,344	3	4,480	3,861	33,499	1,826	1,458	969	13,306	15,525	65	350
2009	8,373	3	4,490	3,880	35,550	1,917	1,470	935	13,433	17,359	66	370
2010	8,388	3	4,498	3,887	38,021	2,034	1,468	888	13,789	19,367	74	401
2011	8,424	3	4,499	3,922	39,842	2,116	1,462	870	14,134	20,722	89	449
2012	8,538	3	4,522	4,013	42,527	2,203	1,444	869	14,440	22,935	113	523
2013	8,678	3	4,574	4,101	43,770	2,332	1,439	868	14,751	23,632	129	619
2014	8,826	3	4,616	4,207	43,742	2,489	1,420	852	14,822	23,318	149	692

Sources: 1) Korea Educational Statistics Service, Korean Educational Development Institute, 2014, 2) Child Care Statistics, Ministry of Health and Welfare, 2014a.

## B. Changes in the number of daycare centers and kindergarten pupils

[Figure III-2] and <Table III-2> show a rising trend in the number of infants and children in kindergartens and daycare centers. As of 2014, the number of infants and children in kindergartens and daycare centers is at 2,149,217, of which 652,546 and 1,496,671 children attend kindergartens and daycare centers, respectively. Of kindergarten pupils, 22.7% attend national and public kindergartens while 77.3% attend private kindergartens. The number of children in kindergartens changed little by 2010 but thereafter grew significantly. As a result, the number of children in kindergartens for 2014 is 21.2% higher than that for the year 2010.

On the other hand, of daycare center infants and children, 10.6% attend national and public centers while 51.8% go to private centers. Lastly, 24.4% attend home daycare centers mainly taking care of infants. Over the past 20 or more years, the number of infants and children in daycare centers has continuously grown to reach 1,496,710 in 2014 that is about 10 times higher than that for 1993 (Korea Institute of Child Care and Education, 2015).



[Figure III-2] Changes in the number of infants and children in daycare centers and kindergartens (1993–2014)



〈Table III-2〉 Number of infants and children in daycare centers and kindergartens by year

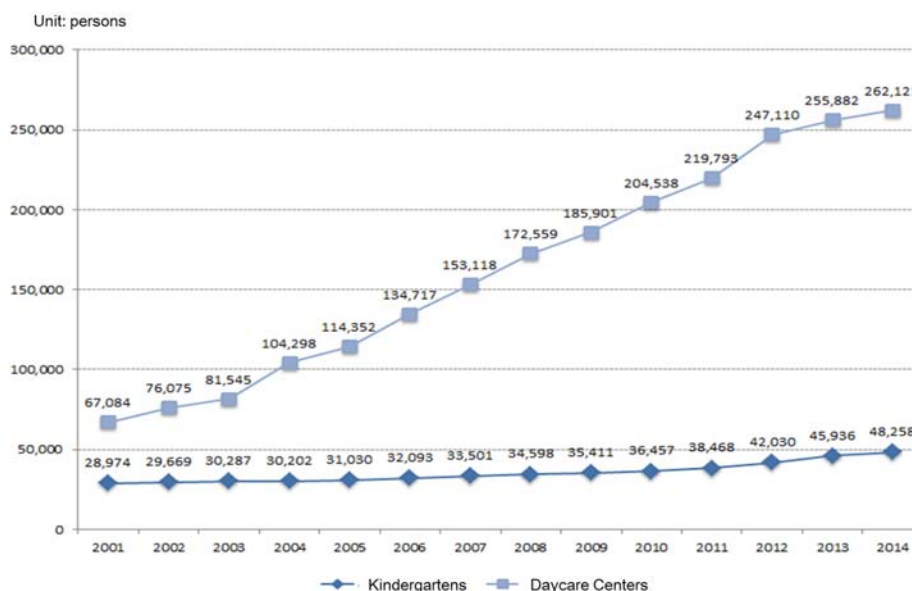
Classification	Kindergartens				Daycare Centers							
	Total	National	Public	Private	Total	National /Public	Social Welfare Foundations	Foundations, Groups, etc.	Private	Home	Parents	Workplace
1993	469,380	80	113,252	356,048	153,270	55,133	44,026	854	35,520	17,012	N/A	725
1994	510,100	80	113,007	397,013	219,308	70,937	63,466	759	55,743	27,427	N/A	976
1995	529,265	80	114,300	414,885	293,747	78,831	77,187	591	92,634	42,116	N/A	2,388
1996	551,770	80	115,776	435,914	403,001	85,121	99,119	2,735	153,990	58,440	N/A	3,596
1997	568,096	260	120,322	447,514	520,959	89,002	123,567	6,727	227,951	68,467	N/A	5,245
1998	533,912	269	132,317	401,326	556,957	91,260	141,616	9,290	250,000	58,968	N/A	5,823
1999	534,166	269	130,917	402,980	640,915	99,866	151,652	13,195	301,630	67,294	N/A	7,278
2000	545,263	272	121,936	423,055	686,000	99,666	157,993	15,949	336,625	67,960	N/A	7,807
2001	545,142	263	122,152	422,727	734,192	102,118	161,419	16,483	369,044	77,247	N/A	7,881
2002	550,256	267	119,301	430,688	800,991	103,351	142,035	30,289	425,647	90,939	N/A	8,730
2003	546,563	269	120,592	425,702	858,345	103,474	140,994	37,911	461,640	103,935	N/A	10,391
2004	541,713	268	123,638	417,807	930,252	107,335	135,531	48,414	507,398	119,787	N/A	11,787
2005	541,603	253	124,030	417,320	989,390	111,911	125,820	56,374	552,360	129,007	933	12,965
2006	545,812	253	121,071	424,488	1,040,361	114,657	120,551	58,808	582,329	148,240	1,238	14,538
2007	541,550	261	118,161	423,128	1,099,933	119,141	118,211	55,906	612,484	177,623	1,444	15,124
2008	537,822	249	118,879	418,694	1,135,502	123,405	113,894	53,818	615,647	210,438	1,491	16,809
2009	537,361	231	125,305	411,825	1,175,049	129,656	112,338	52,718	623,045	236,843	1,655	18,794
2010	538,587	236	126,341	412,010	1,279,910	137,604	114,054	51,126	671,891	281,436	1,898	21,901
2011	564,834	240	125,855	438,739	1,348,729	143,035	112,688	50,676	706,647	308,410	2,286	24,987
2012	613,749	226	127,121	486,402	1,487,361	149,677	113,049	51,914	768,256	371,671	2,913	29,881
2013	658,188	225	141,827	516,136	1,486,980	154,465	108,834	51,684	770,179	364,113	3,226	34,479
2014	652,546	258	148,011	504,277	1,496,671	159,241	104,552	49,175	775,414	365,250	3,774	39,265

Unit: infants and toddlers

Sources: 1) Korea Educational Statistics Service, Korean Educational Development Institute, 2014., 2) Child Care Statistics, Ministry of Health and Welfare, 2014.

### C. Changes in the number of daycare centers and kindergarten teachers

As shown in [Figure Ⅲ-3] and <Table Ⅲ-3>, the number of teachers in kindergartens and daycare centers has jumped every year since 2001. However, a rise in the number of kindergarten teachers is not greater than an increase in the number of daycare center teachers. In 2014, the numbers of teachers in kindergartens and daycare centers are 48,258 and 262,121, respectively.<sup>2)</sup>



[Figure Ⅲ-3] Changes in the number of daycare center and kindergarten teachers

2) Kindergarten teachers refer to directors, deputy directors, appointed teachers, master teachers, regular teachers, and short-term teachers while daycare center teachers include directors and child care teachers. Child care teachers refer to substitute teachers, after-school teachers, and assistant teachers.

〈Table III-3〉 Changes in the number of daycare center and kindergarten teachers

Unit: persons

Year	Kindergartens				Daycare Centers							
	Total	National	Public	Private	Total	National /Public	Social Welfare Foundations	Foundations and Groups	Private	Home	Parents	Workplace
2001	28,974	15	6,286	22,673	67,143	8,051	11,891	1,332	33,534	11,912	N/A	827
2002	29,669	15	6,383	23,271	76,075	8,719	13,740	1,838	36,092	14,800	N/A	886
2003	30,287	16	6,535	23,736	81,545	8,547	12,730	3,059	39,372	16,835	N/A	1,002
2004	30,202	16	6,709	23,477	104,298	10,666	12,844	5,244	51,631	22,454	N/A	1,459
2005	31,030	17	6,928	24,085	114,352	11,057	12,216	5,521	57,301	26,447	160	1,650
2006	32,093	18	7,718	24,357	134,717	12,219	12,626	6,416	66,838	34,423	216	1,979
2007	33,501	19	8,143	25,339	153,118	12,949	13,268	6,283	74,761	43,317	300	2,240
2008	34,598	20	8,461	26,117	172,559	14,224	13,041	6,224	82,035	54,055	289	2,691
2009	35,411	19	8,608	26,784	185,901	15,331	13,359	6,211	86,486	61,218	306	2,990
2010	36,457	19	8,807	27,631	204,538	16,520	13,537	5,972	93,385	71,313	342	3,469
2011	38,468	15	9,037	29,416	219,793	17,475	13,496	5,969	99,109	79,231	416	4,097
2012	42,030	16	9,759	32,255	247,110	18,614	13,635	6,230	108,618	94,362	533	5,118
2013	45,936	20	10,794	35,122	255,882	21,094	14,031	6,647	113,506	93,609	618	6,377
2014	48,258	16	11,648	36,594	262,121	22,934	14,111	6,633	117,297	92,922	712	7,512

Note: 1) Kindergarten teachers refer to directors, deputy directors, head teachers, master teachers, regular teachers, and contract teachers

2) The classification of daycare centers is based on the categories which started to be applied from 2012. From 2005 to 2011, social welfare foundations was referred to foundations; foundations and groups were referred to private sector other than foundations; and private sector was referred to private sector(individual business). Before 2004, the types of daycare institution were classified into national/public daycare centers, daycares run by private foundations, institutions other than private foundations, private individual business, workplace-affiliated daycare centers and daycare at home.

3) Daycare center teachers include directors and child care teachers. Child care teachers refer to substitute teachers, after-school teachers, and assistant teachers.

4) The number of daycare center teachers for 2011 is based on statistics for the end of March, due to an absence of specific classification statistics for the end of December.

Sources: 1) Korea Educational Statistics Service, Korean Educational Development Institute, 2014.

2) Child Care Statistics, Ministry of Health and Welfare, (by Year).

## 2. Background of the Expansion of Daycare Centers

Korea's child care policies took a new turn with the revision of the *Infant and Child Care Act* in 1991. In particular, with a rise in demand for child care services due to social development and women's economic and social participation, the Korean government devised the Three-Year Daycare Center Expansion Plan and has promoted the quantitative growth of daycare centers.

As a result, the number of daycare centers soared from 3,690 in 1991 to 20,097 in 2001 and to 39,842 in 2011 by over 10-fold. Before the *Infant and Child Care Act* was revised, it was easy to set up daycare centers after reporting their establishment to the authorities. This has led to a sharp rise in the number of daycare centers. The quantitative growth of daycare centers has continuously caused various problems related to the poor administration of centers and underqualified teachers. Against this backdrop, the Korean government fully revised the *Infant and Child Care Act* in 2004 to make the establishment of daycare centers subject to the authorities' approval, setting up a basic framework for systematic child care services. Also, child care was selected as one of the 100 national agenda, laying the foundation for public child care.

The government introduced a national system for the qualification management on human resources in child care sector and accreditation system for daycare centers, formulating a national standard child care program. Since 2008, it has introduced and implemented a child care voucher scheme, a child-rearing benefit system, and a free child care program for children aged five, increasing the number of public daycare centers to strengthen the publicness of daycare centers and operating an early childhood education program for children aged five. The government is currently offering free child care services for infants and children aged zero to five and operating an early childhood education program for children aged three to five.

### 3. Need for Further Improvements in the Policies for Expanding Daycare Centers

Over the past two decades, the number of daycare centers has skyrocketed but a regional imbalance has emerged as a key issue. This has led many people to be concerned about service inequality in the era of free child care services. Therefore, the government needs to identify the number of daycare centers across the nation and properly manage the centers in order to enable them to be set up in a regionally balanced way. Then, such information should be reflected in the process of drafting and implementing regional child care plans.

According to the current rules and regulations, the establishment of daycare centers by region should be controlled by heads of local governments. Child care plans and annual plans on the implementation of child care programs should be devised after being reviewed by each regional child care policy committee. Pursuant thereto, child care plans should be formulated every five years. Because such plans need to reflect local needs, the process may not be free from the voices of local community members. Therefore, it is desirable for the central government to identify the status of related infrastructure across the nation and then either to choose high-priority regions or to offer additional aid on a need-to-do basis.

In case that plans to expand national/public daycare centers are devised, annual goals should be clearly stated where systems for result management should be included therein. If necessary, the basic direction of related guidelines, priorities, criteria on the support for establishing a daycare center, issues related to operation, etc. should be clearly specified to ensure the stable operation of the projects. Moreover, when selecting high-priority regions, related criteria should be provided in detail, and priorities also need to be clearly stated in order to ensure the validity and consistency in implementing the projects, for which research also has been conducted (Yoo et al., 2015).

## IV. National Subsidies for Child Care

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#### IV. National Subsidies for Child Care ••• 31

Korea's policies on early childhood education and care had focused on providing aid to lowest-or-lower-income brackets in a selective way by 2003, but the number of service recipients and the size of aid have increased rapidly that recipients from all social classes have become benefitted from free child care and education services since 2013. While supports for child care and education have been offered in various forms such as services, cash, service hours and so forth in many other countries, Korea's support system has mainly focused on relieving the burden on parents by providing financial aid to help them use child care facilities including kindergartens. In 2009, the Korean government introduced a child-rearing benefit system designed to enable those who do not rely on such services to receive cash.

Such a financial aid system mainly aims to increase fertility rates by alleviating the burden of child care on families. In particular, the *First Basic Plan on Low Fertility and Aging Society* was adopted as a key measure for raising childbirth rates to ease the child care burden on parents. In the modern society where the role of families in child care has weakened, a child care and education support system is recognized in many countries to be a major means of promoting work-life balance and increasing fertility rates at the same time. Moreover, infancy and early childhood in terms of human development are the starting point for life-long education and the period in which the basis of a whole personality is formed. Therefore, education in the period has emerged as a policy issue as important as child care support for parents. Most advanced nations have expanded public financial investments into early childhood education to narrow educational gaps noticed early in life and to offer high-quality services. The main goal thereof is to improve national competitiveness by cultivating top-caliber human resources.



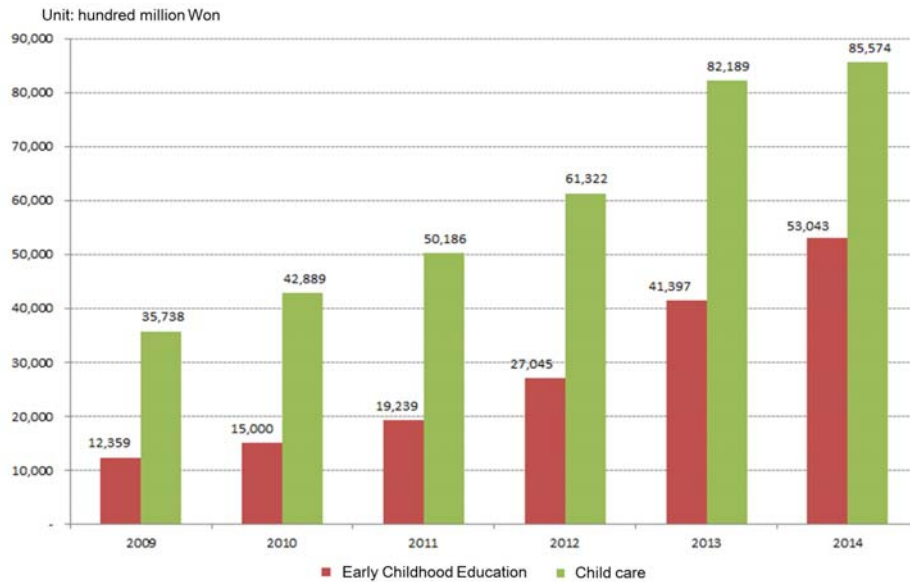
## 1. Changes in the National Budget for Early Childhood Care and Education

The central government's budget for child care rose by 30%, from KRW 300 billion in 2003 to KRW 400 billion in 2004 when its child care supports started to expand. It has continuously grown from KRW 1.4 trillion in 2008 to KRW 4.13 trillion in 2013 and to KRW 5.27 trillion in 2014. Such a rise in the budget is mostly attributed to an increase in child care costs including financial aid to parents and is partly due to institutional changes and the expansion of infrastructure.

By 2013, the central government has been, in principle, responsible for about 48% of state subsidies for child care while local governments have been in charge of about 52% thereof. The national project in which the state pays infant-and-child-care fees and child-rearing benefits is a kind of matching program where central and local governments share the costs. The national budget for child care support consists of state and local government subsidies, and local government subsidies are shared between metropolitan city governments and basic local governments.

As of 2014, the total budget for early childhood education including budget for supporting daycare center programs amounts to KRW 5.3043 trillion while the budget for child care totals KRW 8.5574 trillion (see [Figure IV-1] and <Table IV-1>). The former has increased by 4.3 times while the latter has increased by 2.4 times since 2009. The former only consists of local education finance subsidies while the latter is composed of a national budget, a local budget, and a local budget for special projects. In terms of budget planning, such differences between the two are witnessed.

#### IV. National Subsidies for Child Care ••• 33



Note: The budget for early childhood education includes local education subsidies and subsidies for daycare centers. The child care budget refers to central and local governments' subsidies for child care.

Sources: Choi Eun-young, Lee Jin-hwa, and Oh Yoo-jung (2014). "2013-2014 Annual Report on Early Childhood Education, Korea Institute of Child Care and Education"

Lee Jung-won and Lee Hye-min (2014). "2014 Child Care Policies: Accomplishments and Emerging Issues"

[Figure IV-1] Changes in the national budget for early childhood care and education

〈Table IV-1〉 National budget for early childhood care and education

Unit: KRW 1 million

Year	2009	2010	2011	2012	2013	2014
Early Childhood Education	1,235,853	1,500,018	1,923,903	2,704,516	4,139,704	5,304,268
Child care	3,573,811	4,288,947	5,018,600	6,132,183	8,218,859	8,557,370

Note: The budget for early childhood education includes local education finance subsidies. The child care budget refers to central and local government subsidies for child care.

Sources: Choi Eun-young, Lee Jin-hwa, and Oh Yoo-jung (2014). "2013-2014 Annual Report on Early Childhood Education, Korea Institute of Child Care and Education"

Lee Jung-won and Lee Hye-min (2014). "2014 Child care Policies: Accomplishments and Emerging Issues"

〈Table IV-2〉 National budget for early childhood care and education as % of GDP: 2010-2014

Unit: KRW 1 million (%)

Classification	2010	2011	2012	2013	2014
Government Projects (A)	44,114	50,192	61,325	84,671	85,574
Local Governments' Special Projects (B)	6,548	15,291	9,889	10,363	10,844
Total (C=A+B)	50,662	65,483	71,214	95,034	96,417
(as % of GDP) C/GDP	(0.40)	(0.49)	(0.52)	(0.67)	(0.65)
Budget for Early Childhood Education (D)	15,000	19,239	27,045	41,397	53,042
Total Budget for Early Childhood Care and Education (E=C+D)	65,662	85,162	98,286	136,434	149,459
(as % of GDP) E/GDP	(0.52)	(0.64)	(0.71)	(0.96)	(1.01)
2010 Nominal GDP	12,653,080	13,326,810	13,774,567	14,282,946	15,852,000

Note: 1) Child care Statistics, 2011 and 2013 child care budget (Ministry of Health and Welfare, 2011 and 2013).

2) Of the 2014 government project budget, the budget for local governments' special projects excludes the budget for Gangwon Province.

3) The nominal GDP is based on 2010 data and the nominal GDP for 2013 is provisional.

Sources: 1) "Child care statistics" (Ministry of Health and Welfare, 2011)

2) "Child care statistics" (Ministry of Health and Welfare, 2013)

3) "Overview on budget and fund management plans" (Ministry of Health and Welfare, 2014b).

4) National account GDP (nominal), the Bank of Korea's Economic Statistics System (ECOS).

## 2. Background of National Subsidies for Child Care

Based on the policy principle that child care services are investments into the future, the Korean government's budget for infant and child care services have soared for the past several years. Since the 1990s, whenever a new administration was launched, it has adopted child care policies as one of the important national

agendas. In particular, with the rapid rise of a child care budget following 2004, the share of child care in the new government's policies has consistently grown. This was partly due to the government's expectation that child care policies would facilitate the sound growth and development of children and positively affect work and life balance promotion policies as part of low fertility-related policies.

The *Infant and Child Care Act* lays legal foundations for offering financial supports for various forms of child care services to be provided, and diverse forms of assistance have been actually offered. Financial supports for daycare are classified into the three categories: 1) financial supports for the operation of daycare centers; 2) financial supports for child care fees; and 3) financial supports for other expenses related to facilities. The financial supports for the operation of daycare centers and child care fees are further divided into financial supports provided to daycare centers and financial supports provided to parents benefits. However, they are considered as child care expenses that are spent for the operation of daycare centers. Projects for installing facilities and establishing infrastructure are designed to indirectly offer necessary services for infant and child care.

Child care budget programs support the following seven areas: 1) the operation of daycare centers; 2) child care fees; 3) strengthening services of daycare centers; 4) establishing infrastructure for child care; 5) accreditation for child care centers; 6) general support for daycare centers; 7) child care supports for families. Supports for the operation of daycare centers mainly cover personnel expenses; supports for strengthening services of daycare centers are to do with the installation and maintenance of facilities; and general supports for daycare centers include supports for teaching materials and tools, vehicle operation, improvements in teachers' working environment, subsidies for directors, supports for daycare centers run by foundations in farming and fishing communities, supports for public daycare centers, and so forth. Supports for

establishing infrastructure for child care cover training for employees, child care program development, management of employees' qualifications, general child care and education services, and improvements in the qualifications of child care services. In addition, national financial supports are provided for the accreditation of daycare centers and child care supports provided for families that do not use daycare centers. Early childhood education programs except the aforementioned national subsidy programs are financially supported by the local education finance subsidy system operated by the Ministry of Education. Before 2005, child care fees for children aged five and part thereof for children aged three to four were excluded. However, since 2015, child care fees for children aged three or over have been excluded from the national subsidy program and have been managed via the local education finance subsidy system operated by the Ministry of Education.

Korea's child care policies have achieved success in increasing the number and budget of projects. Its policies for expanding supports in early childhood care and education fees, which have been implemented since 2004, are deemed to have achieved their goals to a certain degree, considering that the government's subsidies as a whole started to be offered to all children to fully cover all incurred costs, starting in 2013. The government introduced an early childhood education program for five-year-old children in 2012 and expanded it to include children aged three to four in 2013. Ensuring parents' rights to choice, it introduced a new system in which those who do not use daycare centers were given allowances. The child care benefit system that was introduced to offer assistance to children from low-income brackets who do not attend daycare centers has expanded to include children from all social classes regardless of their age since 2013. As the Park Geun-hye Administration assumed office in 2013, a system for a free child care service was established and child care policies became regarded as one of the top priorities.

### 3. Improvements Needed for the National Subsidies for Child Care

Despite the external expansion of national subsidies for child care, many issues have yet to be sufficiently resolved. As the total budget amounts to one percent of GDP required to increase investments, the efficiency and effectiveness of financial investments have emerged as a major issue. In particular, as the number of newly established daycare centers has fluctuated depending on market situations, improvement in the efficiency of financial investments has been considered as a key issue. Moreover, the following are some fundamental issues yet to be fully addressed: 1) unreasonably applying the same operating and service hours to all the daycare centers regardless of differences in demand for child care services; 2) lack of national and public daycare centers; and 3) poor working conditions for and treatment of daycare center teachers.

〈Table IV-3〉 Early childhood (pre-primary) care and education spending as % of GDP (2011)

Classification	Child care spending as a % of GDP	Pre-primary spending as a % of GDP	Total spending as a % of GDP
Sweden	1.1	0.5	1.6
Finland	0.8	0.3	1.1
Korea	0.7	0.1	0.8
Germany	0.1	0.4	0.5
Japan	0.3	0.1	0.4
OECD 30- average	0.4	0.5	0.8

Korean government's budget for child care has increased mainly to relieve the burden on families. However, since full free child care services were delivered to all social classes, there has been a social consensus that financial

aid should lead to enhancing the quality of child care services. This means that the national budget should be used efficiently and that an additional increase in financial supports for child care and education is required to maintain an appropriate level of services.

The Korean government has focused on selective early childhood care and education policies for children from lower-or-lowest-income brackets by 2003. However, thereafter, it has fast expanded its supports in terms of size and the number of target recipients to offer free child care and education services to all social classes by 2013. In most of the advanced nations in the context of child care and education, child care and education supports have been offered in various forms such as services, cash, service hours and so forth. While in Korea, such support scheme has focused on relieving the burden on parents by providing financial aid to help them use child care facilities including kindergartens. In 2009, the Korean government introduced a child-rearing benefit system designed to enable those who do not rely on such services to receive cash.

Most advanced nations have actively expanded their public investments into early childhood education to reduce education gaps as noticed early in life and to offer higher-quality services. The main aim thereof is to improve national competitiveness by cultivating top-caliber human resources. Backed by active financial aid in child care, Korea has also seen the percentage of children benefiting from child care services rise sharply. However, the fertility rate in Korea jumped to about 1.3 in 2012 but fell again to 1.19 in 2013 when free child care services and benefits started being provided to all social classes regardless of the age of children. The Korean government highly expected such policies to play a big role in increasing fertility rates. However, such a support scheme is deemed to have difficulty in creating tangible results within a short period of time, with only one financial assistance program in service costs having limitations in raising childbirth rates (Suh & Lee, 2014).

## V. Korea's Child Care and Education Policies: Issues and Implications

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## 1. Ways to Improve Policies on Child Care and Education

This section will look into child care service improvements based on analyses on child care-related research and policies. In particular, this section will deal review the status of and challenges related to policies on child care and education policies in terms of service delivery systems; curriculum of child care and education; operating hours; imbalance in supports for facility and home child care; health care; meals; safety; transparency in operation; and 'teachers' qualifications (Government of South Korea, 2012).

First, service delivery systems are important. Daycare centers for those aged zero to five and kindergartens for those aged three to five are currently providing child care and education services to pre-school infants and children. The service system is controlled by the Ministry of Health and Welfare, the Ministry of Education, the Ministry of Gender Equality and Family, and the Ministry of Employment and Labor. More specifically speaking, the Ministry of Health and Welfare and the Ministry of Education are mainly responsible for facility-based care services. Child care facilities have mainly been established by the private sector, with the number of daycare centers continuously rising. Demand for national and public daycare centers has expanded, but in reality, the private facilities-based system can hardly be converted into a national and public facilities-based structure. This is attributed to difficulties in securing related budgets and sites. Also, the existing system solidly established by the private sector cannot be easily overlooked. Moreover, because the number of infants and children and demand for child care are expected to continuously fall due to low fertility rates, the oversupply of child care services can emerge as a main issue in case the number of facilities continues to rise as seen currently. If more private daycare centers are set up due to lower standards for their installation and approval, the quality of child care services may be undermined.

Therefore, this issue needs to be more carefully dealt with.

Second, curriculum of child care and education is also critical. Early childhood is a period in which children should be educated to cultivate appropriate habits of living. However, it has been recognized that daycare centers are inferior to kindergartens in terms of education programs. In the context of environment in the facility, service hours, teachers' qualifications, and working conditions of teachers, gaps between daycare centers and kindergartens have emerged as key issues. Kindergartens offer child care services for four to five hours during weekdays while daycare centers provide child care services for 12 hours during weekdays. It has also been recognized that a gap in teachers' educational levels between daycare center (high school graduate level or higher) and kindergarten (college graduate level or higher) leads to differences in teachers' real qualification, thereby causing differences in treatment and making more teachers dissatisfied with such a situation. In order to resolve such issues, the government has introduced an early childhood education program for children aged three to five where child care and education courses for daycare centers and kindergartens are integrated laying the foundation for daycare center programs to greatly improve in quality. Across our society as a whole, including families and schools, child care and education programs should additionally be upgraded to help promote children's emotional development and to enable them to more effectively adapt to school.

Third, issues related to operating hours should be effectively resolved. Daycare centers currently offer all-day child care services regardless of the needs of parents. During weekdays, they provide child care services for 12 hours and can additionally offer part-time child care services. Such a system can lead parents to assume less responsibility for child care, which may have negative effects on children's emotional development. It is also deemed to be inefficient in terms of center operation, and it can make teachers exposed to poorer working conditions. Along with this, imbalance in selective support

between center-based child care and home-based child care should also be addressed. For infants aged zero to two, home-based care is more desirable but a rise in child care support may cause infants to rely more on center-based care even though they should be more emotionally attached to their parents. This results in fiercer competition to enter daycare centers can prevent children from double-income families from attending centers. Therefore, the Korean government is required to come up with appropriate measures to enable infant-care service hours to be adjusted based on family conditions and to make it possible to more effectively use full-day child care services.

Fourth, transparency in operating daycare centers should be carefully dealt with. The closed and opaque management of daycare centers characterized by parents and communities' lack of participation and an absence of facility information has emerged as a key issue, causing moral hazard such as subsidy embezzlement. Irregularities and illegal activities such as the trade of daycare center premiums and the false registration of the centers have not been effectively controlled, not being subject to sufficient punishment and thereby causing financial resources to be wasted. Therefore, accounting rules should be further strengthened, making daycare center information disclosed more accurately and effectively. Moreover, lack of safety accident prevention systems and an absence of safety in operating commuter buses of daycare centers, as well as facility deterioration, have led to various safety accidents. Meal services and sanitation that significantly affect the healthy growth of children have not been thoroughly dealt with either. Child abuse incidents attributed to serious moral hazard have often occurred, requiring the government to come up with proper measures to manage the quality of daycare centers and child care teachers.

Last but not least, we also need to think of teachers' qualifications and their working conditions. By 2014, a total of 1.172 million child care teachers have been cultivated, 262,000 of whom are considered to be active-service teachers. However, teacher-training programs that fail to properly reflect the characteristics

of child care services have caused the oversupply of child care teachers and significant differences in their quality. Also, teachers have been exposed to poor working conditions such as long working hours and low pay, which have made qualified teachers to change, so the quality of child care services has become poorer.

## 2. Several Issues Related to Policies on Child Care and Education

We should think over for what, for whom, and in what direction child care and education policies should be implemented. The key element in this context is a social consensus on the responsibility of society as a whole for childbirth and child care and on taxes that people should pay to improve low fertility. Considering limited financial resources, parents' consensus and participation need to be ensured in operating policies on child care and education for effective implementation (Lee et al., 2011).

According to Lee et al. (2011), a research on needs for child care supports, considering employment status and child development, parents want the following policies to be implemented: 1) expanding child care facilities that can offer high-quality services regardless of employment status; 2) expanding child care policies that have focused on low-income brackets; 3) helping secure time for personal business; 4) providing temporary child care services to help parents take some time off; 5) offering systematic child care information and support; 6) organizing parent groups in which child care-related difficulties and information can be shared; 7) promoting corporate culture in which child care-related services can be more actively provided. Most unemployed mothers were found to think that it is desirable for mothers to take care of their children. The younger their children were, the more they preferred to directly

take care of their children. Families with older children who are a little older also wanted to benefit from temporary child care services and parent support programs. On the other hand, employed mothers preferred home child care support services and reliable daycare centers for their infants and children, respectively.

Therefore, more diverse policies should be implemented to help children to be effectively taken care of. For example, parents with infants aged zero to one tend to avoid using child care facilities due to weak immunity of children and safety-related issues, preferring to use home care programs (Lim et al., 2008). Child care policies for such families need to focus on home child care services. Against this backdrop, the government needs to formulate a diversity of support policies such as home child care programs, part-time child care services, temporary child care services, and support for grandparents who take care of young children.

Also, it should not be overlooked that parents with young children more significantly require high-quality child care services regardless of their employment status. Jeong et al. (2010) shows that what parents with young children need the most is the extension of operating hours and night time and part-time child care services. In other words, after their children return home, parents often need to find someone to take care of their children due to personal or temporary reasons. Double-income families may need child care facilities that offer extended hours services due to overtime work and so forth. However, they have frequently experienced various difficulties due to the lack of such facilities. Therefore, related policies should be established and carried out to meet such needs.

On the other hand, child-rearing policies should be carried out with equality and fairness. Offering necessary aid to all families with children including vulnerable classes, double-income families, and the unemployed is one of the major tasks that the government has to fulfill in the era of low fertility.

According to Koh (2012), the burden of pregnancy and childbirth, for which women are responsible, as well as child care that families are in charge of, has been financially shouldered by individuals and families while the benefits have been enjoyed by society as a whole in terms of stable supply of labor force and the creation of the next generation. However, children from double-income families, children with illnesses or disabilities, children raised by grandparents and so forth have remained as blind spots of child-rearing policies. In particular, double-income families have been pushed back on the priority list and have yet to benefit from child-rearing policies that have focused on low-income classes (Lee et al., 2011). Against this backdrop, the government should share the burden of child care with families via equal and fair services to all households and at the same time, make continued efforts to overcome low fertility-related problems.

Despite rising interest in child care services in terms of social policy, it is difficult to create a social consensus on target recipients, support methods, a level of support, and a level of burden shouldered by service users. Developing nations are expected to show more interest in general child care and education policies including center-based and home-based child care services, to handle them as important national agenda and thereby to more actively implement more advanced and efficient policies.

### 3. Implications for Developing Countries

Korea has actively carried out child care policies to cultivate future human resources, as well as work-life balance promotion policies, for securing the female workforce, and it achieved the desired results. The main aim thereof is to resolve low fertility-related issues, the most urgent problem faced by Korea. The Korean government should first identify whether other developing countries

share such issues and whether the implementation of related policies is needed. Even though socio-economic conditions may differ by country, developing countries should foresee not only current issues but also problems that will be seen several years later, judging how and when to implement related policies and continuously conducting research to prepare for the future. Basically, current conditions and the needs of service beneficiaries should first be explored to establish basic statistics. At the same time, the roles of central and local governments need to be clearly segmented.

Korea's achievements can be summarized as follows: 1) A national consensus on the need for child care services has led the policy framework to be maintained even after regime changes; 2) Almost all children have become to benefit from child care and education services; and 3) The quality of child care services has been maintained to a certain degree by introducing an early childhood education programs and assessing the performance of daycare centers. Developing countries can effectively benchmark these accomplishments when they develop necessary policies.

However, the following limitations also should be considered: 1) inequality between differentiated support based on the conditions and needs of service recipients and free services to all social classes; 2) failure to quickly resolve low fertility problem due to the complexity thereof; and 3) need for careful organizational design considering that responsible ministries can hardly be changed after they are once chosen. Developing nations should consider these issues as well and more carefully benchmark Korea's accomplishments.





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