

Additional and Extension of Childcare Subsidy are Being Provided to Increase Access for the Two-Year-Olds to Attend Preschool

MOHW and MOE Jointly Support Young Families in Childcare

(Courtesy of Zhi-Ying Guo at the Division of Junior High, Elementary School and Preschool Education)



The Ministry of Health and Welfare (hereinafter referred to as MOHW) and the Ministry of Education (hereinafter referred to as MOE) jointly held a press conference on November 7, 2019, at which Shih-Chung Chen, Minister of Health and Welfare, announced that starting in January 2020, when children who have reached the age of two and wish to continue to stay in public childcare, quasi-public nanny, or quasi-public childcare centers, MOHW would provide a childcare subsidy so that parents would have ample time for preschool transition. In addition, Wen-Chung Pan, Minister of Education, mentioned that, with the goal of achieving 33% of the admission rate for the two-year-olds in preschool, i.e. the average rate in the Organization for Economic Co-operation and Development (OECD) countries, by 2024, MOE has developed four major strategies to encourage local governments and preschools to set up classes especially for the two-year-olds. Today, the two ministries also announced two additional measures,

namely extension of the childcare subsidy and establishment of two-year-old classes in preschool to jointly support young families in childcare.

According to MOHW and MOE, in accordance with the Low Birth Rate Countermeasures passed by the Executive Yuan in July 2018, through the expansion of preschool publicization and the establishment of a quasi-public mechanism, affordable childcare and education opportunities have been increased, and childcare allowance has been expanded to children at the age of four, achieving the comprehensive care for children at the age of zero to six. The two ministries at today's press conference made the following statements for the beneficial measures for children at age 2 to go to preschool:

1. The preschool age has been adjusted in May 2019, so children at age 2 can make transition to preschool seamlessly.

In order to meet the schooling needs of children at age 2 in a seamless way, MOHW pointed out that the Standards for Establishing Children and Youth Welfare Institutes have stipulated that those who have not attended preschool at the age of two can continue to stay at the infant care center for a period of no more than one year. As for the children admitted to preschools, the Ministry of Education also stated that the Enforcement Rules of Early Childhood Education and Care Act were amended in May 2019 and stipulated that if there was any vacancy in preschool, it may admit children who have reached their second birthday in that month to meet the parents' childcare needs for their two-year-old children.

2. From January 2020, when children who have reached the age of two, and still wish to stay in their original public childcare, quasi-public nanny, or quasi-public childcare centers, MOHW will extend the childcare subsidy until they reach their third birthday.

Minister Chen said that in order to smooth their transition to preschool, MOHW plans to extend the childcare subsidy. For children who have reached two years of age, and wish to stay at public childcare, quasi-public nanny, or quasi-public childcare centers, MOHW will provide them with the childcare subsidy until they reach the age of three. For public childcare, a subsidy

of NT\$3,000 per month will be provided; for quasi-public nanny and quasi-public childcare centers, NT\$6,000 per month will be offered. Therefore, a budget of NT\$1.083 billion (an expected increase of roughly NT\$600 million) is required; it is estimated that 16,000 children will benefit.

3. The Ministry of Education provides additional subsidies to public preschool to set up two-year-old classes and encourages quasi-public preschools to recruit two-year-olds.

According to the statistics from the Ministry of Education, 951 classes (approximately 25,000 openings) of public preschools have been added from 2017 to 2019, of which 184 classes are for the two-year-olds, and the admission rate of the two-year-olds is 23%, which is 7% higher than in 2017. Minister Pan said that to continue to increase the number of two-year-old classes, the average admission rate of the two-year-olds in preschool in the OECD countries at 33% was adopted as a policy target. It is expected that 800 two-year-old classes will be added by 2024, and the following four strategies have been developed. It is estimated that the funding required for the next five years from 2020 to 2024 will be about NT\$1.355 billion in total to motivate cities (counties) and preschools to set up two-year-old classes:

(1) Newly established public preschools will be subsidized to set up two-year-old classes.

(2) Those who set up two-year-old classes in the existing space will receive a full subsidy of NT\$1.5 million per class, and part of the personnel costs for the additional classes will be subsidized as well.

(3) Quasi-public preschools that set up new two-year-old classes will be subsidized with NT\$300,000 per class.

(4) For cities (counties), when a certain percentage of two-year-old classes set up each year is reached, the local governments will be granted extra funding.

MOHW and the MOE emphasized that the government would spare no effort to promote any measures that could support parents to balance their work and childcare. The two-year-old

childcare policy proposed by the two ministries is in line with parents' expectations, and they will expand affordable preschool education proactively while ensuring the stable quality of quasi-public childcare and preschool education services, in the hope of providing parents with affordable childcare and schooling, reducing the burden on parents substantively, and allowing young families to rest assured that they can give birth to, raise, and send their children to childcare institutions without much concern.