

Enrollment of Arab Children in Supervised Daycare

Shavit Madhala, Labib Shami, John Gal, and Elon Seela

This research was generously supported by the Beracha Foundation, the Bernard van Leer Foundation, and Yad Hanadiv

Taub Center for Social Policy Studies in Israel

The Taub Center was established in 1982 under the leadership and vision of Herbert M. Singer, Henry Taub, and the American Jewish Joint Distribution Committee. The Center is funded by a permanent endowment created by the Henry and Marilyn Taub Foundation, the Herbert M. and Nell Singer Foundation, Jane and John Colman, the Kolker-Saxon-Hallock Family Foundation, the Milton A. and Roslyn Z. Wolf Family Foundation, and the American Jewish Joint Distribution Committee.

This paper, like all Center publications, represents the views of its authors only, and they alone are responsible for its contents. Nothing stated in this paper creates an obligation on the part of the Center, its Board of Directors, its employees, other affiliated persons, or those who support its activities.

Initiative on Early Childhood Development and Inequality

The Taub Center's "Initiative on Early Childhood Development and Inequality" is tasked with examining the effects of the young child's environment on future achievements and disseminating the latest research on this subject. The Initiative's goal is to assist in the advancement of effective policy to improve the environmental conditions of children in Israel during their early years of life, in order to improve their outcomes and reduce disparities due to socioeconomic background. The researchers involved in this initiative draft up-to-date research reports, literature surveys, position papers, and policy papers. As part of its effort to disseminate the latest available knowledge, the Initiative holds an academic seminar to provide a multidisciplinary basis — both theoretical and empirical — for the investigation of early childhood. The activity of the Initiative is guided by an International Advisory Council consisting of leading academics, policy makers and members of civil society organizations who are committed to the advancement and implementation of effective policy in the area of early childhood in Israel. The activities of the Initiative are supported by the Bernard van Leer Foundation, the Beracha Foundation, and Yad Hanadiv. The Initiative is headed by Prof. Yossi Shavit, Principal Researcher, Taub Center for Social Policy Studies in Israel; Professor Emeritus, Tel Aviv University.

Research staff: Dr. Carmel Blank, Liora Bowers, Dr. Yael Navon, Dana Vaknin, Noam Zontag.

Research assistant: Hai Vaknin.

Advisory Council: Prof. Esti Adi-Japha, Daniella Ben-Attar, Efrat Degani-Toperoff, Prof. Isaac Friedman, Prof. John Gal, Dr. Shoshi Goldberg, Prof. Reuven Gronau, Sima Hadad, Dr. Tzipi Horowitz-Kraus, Fatma Kassem, Orit Levin, Varda Malka, Michal Mankas, Dr. Tali Yariv Mishal, Dr. Naomi Moreno, Prof. Frank Oberklaid, Ehud (Udi) Prawer, Prof. Sigal Sadetsky, Prof. Avi Sagi-Schwartz, Prof. Manual Trajtenberg, Dr. Maya Yaari.

Enrollment of Arab Children in Supervised Daycare

Shavit Madhala, Labib Shami, John Gal, and Elon Seela

Introduction

There is currently a broad consensus among researchers and professionals that a comprehensive, accessible, and high-quality early education system for very young children (from birth to age 3) can make a significant contribution to narrowing economic inequality and advancing social mobility. Such a system facilitates a broader entry of parents into the labor market, which in turn increases incomes and gender equality. Furthermore, research shows that attending a high-quality early education framework contributes to a young child's cognitive, social, and emotional development as well as the development of their skills and abilities (Shavit et al., 2018). During the past two decades, this approach has been translated into policy across welfare states, among them Israel. This can best be seen in the social investment approach that has gained momentum in European welfare states and which emphasizes the role of the state in developing human capital as a way of preventing social problems. Moreover, one of the most important outcomes of the social protests in Israel, which took place a decade ago, was a recommendation to expand the accessibility and quality of early childhood education and care (ECEC) for infants. The Trajtenberg Committee, which was created in the wake of the social protests, recommended shifting the responsibility for this domain to the Ministry of Education, creating an effective supervisory capacity and encouraging preschool attendance by providing tax credit points to parents of young children.

* Shavit Madhala, researcher, Taub Center for Social Policy Studies in Israel. Dr. Labib Shami, Senior Researcher, Taub Center; Economics Department, Western Galilee College; Department of Economics, Haifa University. Prof. John Gal, Chair, Taub Center Welfare Policy Program; faculty member, School of Social Work and Social Welfare, The Hebrew University of Jerusalem. Elon Seela, research assistant, Taub Center. We would like to thank Moran Aviv of the Sikkuy Organization, Noa Ben David from JDC-Ashalim, Ruty Levite, Tamari Kedman, Nadia Jabar, and Nasrin Tarif from the Be-Atzmi Organization and Attar Goldman-Dotan from the Coalition for Education from Birth for their helpful comments.

Although the government adopted most of these recommendations, and despite the increased investment in this age group and the passing of the Daycare Supervision Law (Citizens' Empowerment Center in Israel, 2017), a decade after the social protests, the policy results in this area are not encouraging and it appears that the steps taken were not sufficiently beneficial for those with the greatest need. Thus, enrollment rates at supervised daycare frameworks in Arab society — which suffers from marginalization and high rates of poverty and includes a large population of very young children — remain particularly low. This situation has ramifications for the families of these children in the present and for their life outcomes (Injaz, 2011; Almagor Lutan, 2008; Sikkuy, 2019).

This study examines the reasons for the low enrollment in supervised daycare among children from birth to 3 in Arab society and suggests policy alternatives that will effectively deal with the phenomenon.¹ We start with a review of the importance of early childhood education and care and survey policy toward infants in Israel. We then present the problem of low attendance at supervised early education frameworks in Arab society. In order to understand the phenomenon, we refer to the “Matthew Effect” which describes a situation in which the main beneficiaries of social services, such as early childhood education frameworks, are not those who are most in need but in fact better-off populations. Based on our research findings and research carried out in Israel and other countries, we then look at possible explanations for the low enrollment in supervised daycare among Arab children in Israel. Finally, we will, as mentioned, present policy alternatives for dealing with the phenomenon.

1 This study examines the attendance at supervised frameworks among children from birth to age 3. Therefore, any reference to young children should be understood as children from birth to age 3 unless otherwise specified. In addition, it should be mentioned that even though the research age group is birth to 3, the frameworks actually accept children only from the age of 3 months and some of them only from the age of 6 months; and they also include children up to the age of 3½. Therefore, the measurement of the total group of children in this study is six months to age 3½ years.

Data

In this study, we make use of a variety of data sources:

- Administrative data obtained from the Ministry of Welfare and Social Affairs, including a file mapping enrollment in supervised daycare among children of working parents by local authorities; a file mapping enrollment at preschool frameworks through the Law for Young Children At-Risk according to local authority; a detailed file for all children of working parents who are registered for supervised daycare; data for budget and execution in the construction of daycare centers according to local authority; and a file of daycare prices for various years.
- State Budget data for various years as they appear in the Accountant General's files.
- Data from the Central Bureau of Statistics (CBS), including the Household Expenditure Survey, the Labor Force Survey, and files of local authorities in Israel.
- Ministry of Education data for the distribution of children in educational frameworks according to sector.
- Quantitative and qualitative data from an online survey conducted by the Taub Center in October 2020 among parents of children up to the age of 6, which included questions relating to preschool frameworks. The sample consists of 408 observations of parents of young children. It is not, however, a representative sample of parents of young children in Israel.
- Data from semi-structured telephone and online interviews with professional women and women activists in various organizations operating in Arab society and involved in the implementation of programs for mothers or the advancement of policy for young children and Jewish-Arab coexistence (12 interviews); and with operators in the early childhood education system in Arab society (9 interviews). The interviews with the professional women and women activists included questions on the enrollment in supervised daycare in their local authorities and possible reasons for the low level of attendance. The interviews with operators of daycare frameworks sought to identify issues relating to registration for these frameworks, costs, and their operation.

Early childhood policy in Israel

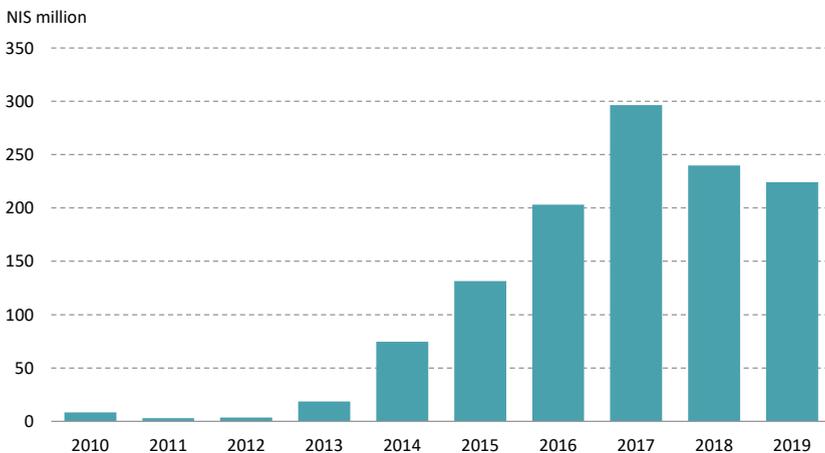
Early childhood education frameworks have been in existence in Israel for many decades. In the early 1970s, the government began its direct involvement through subsidies and supervision of the system, with the aim of encouraging mothers to participate in the labor force. Following the social protests in 2011 and the recommendations of the Trajtenberg Committee, which was established in its wake, government involvement has increased substantially (Trajtenberg et al., 2019).

There are a variety of early education and care frameworks in Israel: daycare settings, family daycare, nursery schools, and kindergartens. These are operated by local authorities, community centers, Third Sector organizations, for-profit companies, and individuals. Responsibility for the ECEC frameworks for ages 3 months to 3 years is the Daycare Centers Department in the Ministry of the Economy and Industry and the Child and Youth Services in the Ministry of Welfare and Social Affairs. The Daycare Centers Department supervises some of the frameworks for young children, assists in financing the construction of daycare centers through the local authorities, and subsidizes the participation of children in its supervised frameworks. The department's supervision includes the size of the staff and the quality of the construction, safety issues, health and nutrition, training of teachers and directors and services provided in the frameworks (Moshel, 2015). Frameworks that are recognized, supervised and with tuition subsidies (for those eligible) are either daycares or family daycare settings. A daycare center usually has several dozen children and is operated by a non-profit organization, a local authority, or a private individual. The supervision of educational content and activities in the daycare centers is carried out by the Daycare Centers Department. A family daycare setting, in contrast, usually has a small group of up to five children. It is located in the home of the caregiver and is operated by the social welfare department of the local authority or by a concessionaire, under the supervision of the daycare coordinator. At the beginning of 2022, responsibility for daycare centers is to be transferred from the Ministry of Economy and Industry to the Ministry of Education. In this new arrangement, the Ministry of Education will be responsible for pedagogy, staff training, and the construction of daycares. Daycare subsidies will remain the responsibility of the Ministry of Economy and Industry.

As noted, the Daycare Centers Department is responsible for, among other things, the construction of daycares. The size of the budget allocation for construction of daycare settings illustrates the change in approach to government involvement in this area following the formation of the Trajtenberg Committee and the adoption of its recommendations. After years of under-budgeting of the construction of daycare centers, in 2014 larger budgets began to be allocated. Between 2014 and 2019, about NIS 1.17 billion was invested in the construction of daycare centers (Figure 1).

Figure 1. Expenditure on the construction of daycare settings

2019 prices



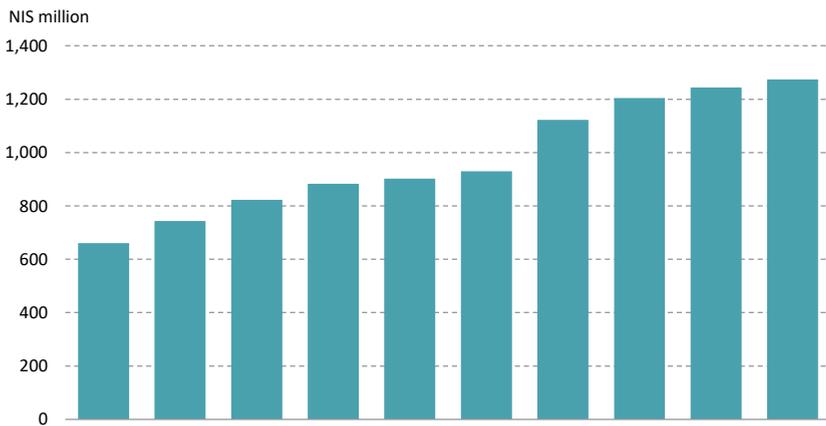
Source: Madhala et al., Taub Center | Data: Ministry of Finance, State Budget files

Subsidies for educational frameworks under the supervision of the Daycare Centers Department are available for children of parents who are working or studying. The subsidy is calculated on the basis of a means test that takes into account, among other things, the family's per capita income and the mother's work hours or studying hours. The size of the subsidy for children of working parents during the 2020/2021 school year ranged from NIS 243 to NIS 2,216 per month, according to the level of eligibility. Full tuition ranged from NIS 1,964 to NIS 2,857 per child per month (depending on the framework and the age of the child). It is paid in full by parents with higher per capita income according to the Ministry's scale and those who do not meet the eligibility criteria.

In the 2018/2019 school year, the number of children of working parents who attended these frameworks was 113,000, which accounts for about 21% of all children from birth to 3 in Israel and about 85% of this age group who are in supervised frameworks.² During the past decade, the expenditure of the Ministry of Welfare and Social Affairs on these subsidies almost doubled, from NIS 660 million in the 2009/2010 school year to about NIS 1.3 billion in the 2018/2019 school year (Figure 2). The average subsidy per child grew during this period from about NIS 7,750 per year in the 2010 budget to about NIS 11,280 per year in the 2019 budget. Since we do not have data on the share of children of working parents who received a subsidy from among all children attending supervised frameworks, we are unable to estimate the share of the total expenditure increase that is due to a rise in the subsidy level and the share that is due to a rise in the share of children receiving a subsidy.

Figure 2. Expenditure on subsidies for children of working parents in supervised frameworks

2019 prices



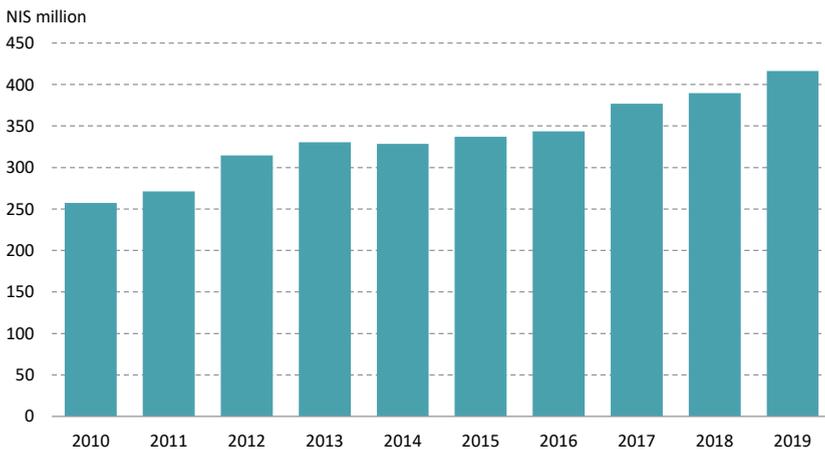
Source: Madhala et al., Taub Center | Data: Ministry of Finance, State Budget files

- 2 Included in the data presented here on children of working parents are all children attending educational frameworks not according to the Law for Young Children At-Risk. In other words, children whose parents do not work or study were included as children of working parents; however, their share of this group is negligible (about 2% in the 2019/2020 school year).

Alongside the Daycare Centers Department, the Child and Youth Service within the Ministry of Welfare and Social Affairs is responsible for the placement and the subsidies for children-at-risk in ECEC settings, according to the Law for Young Children At-Risk (Rabinowitz, 2019). In the 2018/2019 school year, about 19,400 children-at-risk were placed in daycare centers and family daycare by the service. They constitute about 4% of all children from birth to age 3 in Israel and about 15% of the children in supervised frameworks. These children are eligible for a relatively large tuition subsidy, such that the total payment by the parents of these children ranges from NIS 464 to NIS 752 per month as opposed to NIS 1,964 to NIS 2,857 per month for full tuition (tuition rates for the 2020/2021 school year). Total expenditure by the Ministry in the cost of subsidies for Young Children At-Risk was about NIS 416 million in 2019 (Figure 3).

Figure 3. Expenditure on subsidies for daycare centers and family daycare for Young Children At-Risk

2019 prices

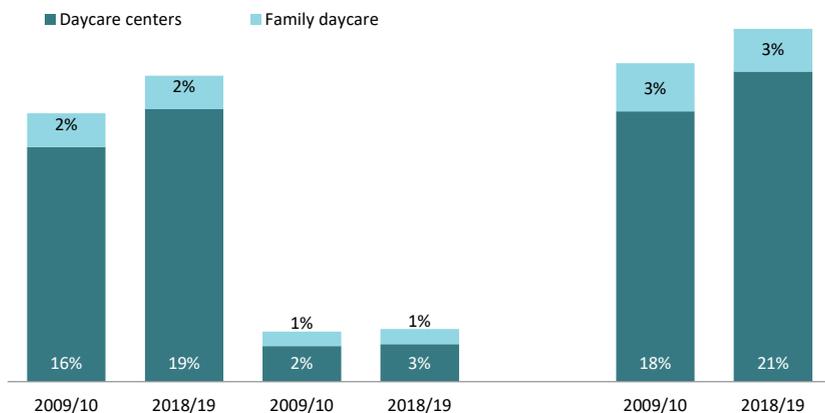


Source: Madhala et al., Taub Center | Data: Ministry of Finance, State Budget files

During the last decade, there has been an increase of 34% in the number of children in supervised frameworks (children of working parents and children under the Law of Young Children At-Risk), from about 100,000 children in the 2009/2010 school year to about 130,000 children in the 2018/2019 school year.

Beyond the absolute increase as a result of the growth in the size of this age group, there has also been an increase in the share of children attending supervised frameworks within the relevant age group, from about 21% in the 2009/2010 school year to about 24% in the 2018/2019 school year.³ With respect to type of framework, i.e. daycare center or family daycare, it appears that the entire increase occurred in daycare centers. Thus, the share of children in supervised daycare centers grew by about 3 percentage points while the share of children in family daycare remained unchanged (Figure 4).

Figure 4. Share of children in supervised frameworks in the birth to 3 age group



Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; CBS, local authority files; Fichtelberg-Barmatz & Harris-Olshek, 2013

It is worth emphasizing that until recently, most of the private frameworks for young children operated without government supervision and without uniform standards with respect to the level of education and care (number of staff relative to number of children, training of caregivers, safety, etc.). Private frameworks under government supervision were only those that requested it and they received the “daycare badge.” During the past decade, there were a

3 The estimated number of children ages 0–3 is based on total children ages 6 months to 3½ years according to the data in the local authority files of the CBS for the relevant years.

number of initiatives to expand the supervision of private early educational frameworks by means of legislation. These led to the passing of the Daycare Supervision Law in 2018 and of accompanying regulations in January 2021. The law and the accompanying regulations went into effect in the current school year and this should bring about a major expansion of supervision over numerous aspects of activity in ECEC frameworks. Supervision is relevant only to frameworks with seven children or more (Rabinowitz, 2019). It is reasonable to assume that in frameworks with a daycare badge, which until now were under the supervision of the Ministry of Welfare and Social Affairs and which are subsidized by it, the conditions of the children's education and care are better than those in unsupervised frameworks (Fichtelberg-Barmatz, 2015). Therefore, despite the expansion of enforcement and supervision of private frameworks beginning this school year, it is important that very young children from marginalized populations attend frameworks under full government supervision. In view of the differences in attendance at supervised frameworks between population groups in Israeli society (Gal et al., 2020), in this study we will focus on the attendance at supervised frameworks by young children in Arab society.

What is the problem?

In the past, the main goal of ECEC frameworks was to solve the problem of labor force participation among mothers. The frameworks were meant to provide daycare for children up to the age of three and to facilitate the participation of their mothers in the labor market. This approach explains the expansion of the daycare system in the early 1970s, as the shortage of workers worsened and an attempt was made to integrate more women into the labor market (Doron, 2017). Greater participation of women in the labor force through the creation of ECEC frameworks still constitutes one of the main goals of Israeli policy. This is seen in the preference given to working mothers in the subsidy policy for these frameworks. Studies have shown that focusing on the subsidies for children in ECEC frameworks and investment in this area can indeed contribute to alleviating poverty by increasing the employment of mothers (Hufkens et al., 2020).

In many welfare states, there has been a clear transition in recent decades away from the social protection approach, which focuses on providing payments and services to individuals whose labor income is too low to provide

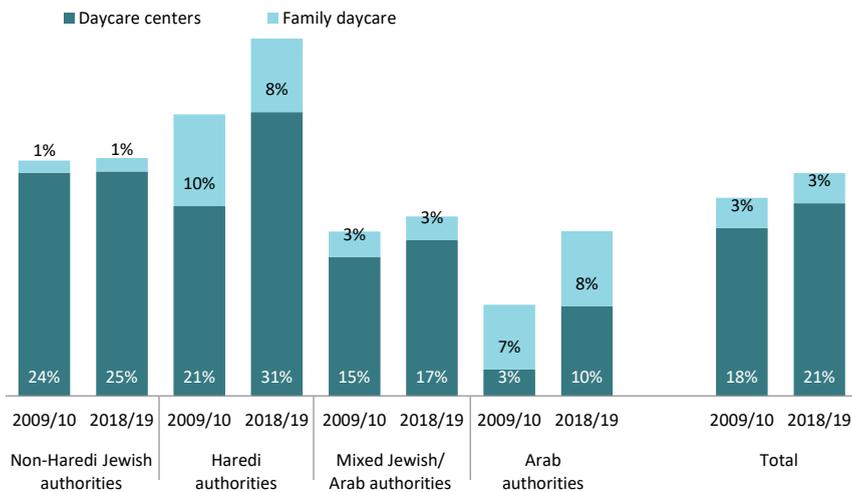
a reasonable standard of living, to social investment approach, which seeks to provide tools to strengthen an individual's skills and to increase social mobility (Gal et al., 2020). On the policy level, this is seen in the transition from a sole focus on the integration of women in the labor force to a recognition of the importance of the development of early childhood abilities and the improvement of their human capital, in order to enable them to optimally integrate within the education system and increase their social mobility later in life (León, 2017). This marked change in direction is important in the formulation of policy, since it argues against linking the need for high-quality early childhood educational frameworks to the integration of their parents into the labor market. In other words, every young child should be guaranteed a high-quality ECEC framework — regardless of their parents' employment status in the past or the future. This assumption is based on research into the cognitive, social, and emotional development of very young children, which points to the importance of attending a high-quality educational framework, particularly in the case of children growing up in poorer families (Shavit et al., 2018). Research findings in Israel show that attending an ECEC framework has a positive effect on academic achievement (Zontag et al., 2020), and long-term studies carried out in the US show that this effect persists throughout an individual's life (Heckman et al., 2010).

Though policy makers attribute great importance to ECEC frameworks, the results among one of the most marginalized groups in Israel, namely Arab society, have been limited. In 2019, the labor force participation rate among Arab women ages 25–64 was only about 37%, and it is still very low relative to Jewish non-Haredi (Haredi Jewish) women (83%) and Haredi women (77%) (CBS, 2021). Moreover, even though 58% of children in Arab society are growing up in poor families, their rate of attendance at supervised frameworks for the birth to 3 age group is particularly low. Only 18% of the children in this age group in Arab local authorities are in supervised ECEC frameworks (children of working parents and young children at-risk) (Figure 5). As can be seen, this is a low rate, particularly relative to the Haredi sector (39%) but even relative to the non-Haredi sector (26%).

A decade ago, these gaps were even larger. In the 2009/2010 school year, the share of children in supervised frameworks in Arab local authorities was only about 10%. Since then, there has been a fairly substantial increase in the share of children in supervised frameworks in the Arab and Haredi local authorities and a more modest increase in the non-Haredi and mixed local authorities.

It is worth noting that distinguishing between Arab local authorities in the Southern District (which serve the Bedouin communities) and the rest of the Arab local authorities reveals different rates of growth. Thus, although there has been an upward trend in both groups, the increase in the Bedouin communities was quite limited — from 7% in the 2009/2010 school year to only 10% in the 2018/2019 school year (see Appendix Figure 1).

Figure 5. Share of children from birth to age 3 in supervised frameworks, by framework and local authority, 2009/2010 and 2018/2019

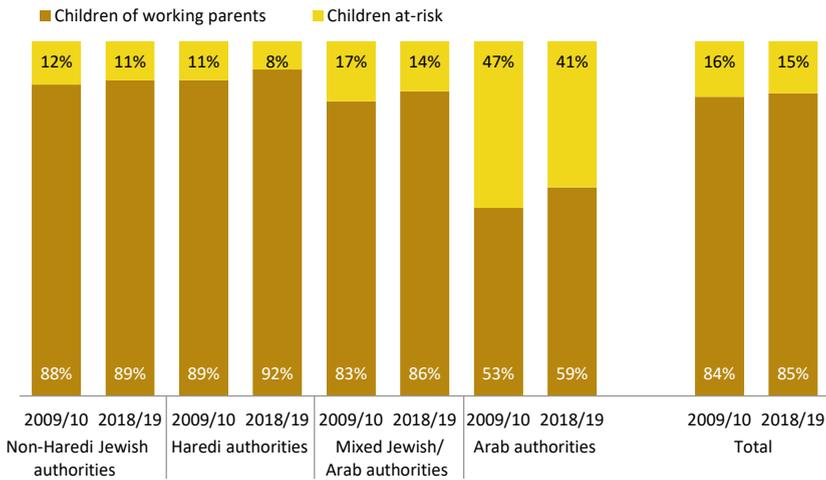


Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; CBS, local authority files; Fichtelberg-Barmatz & Harris-Olshek, 2013

The low enrollment rates in supervised frameworks among children in Arab local authorities is in addition to the fact that a large share of them are placed in the setting on the basis of the Law for Young Children At-Risk following a referral by the social services departments. Figure 6 presents the breakdown of children in supervised frameworks in the various populations, divided according to children of working parents and young children at-risk. As can be seen, over the years there has been a small decline in the share of children attending supervised frameworks based on the Law for Young Children At-Risk in all of the populations we examined. The share of young children at-risk in the various populations is particularly high in Arab local authorities: about 41%

as opposed to 11% in the Jewish non-Haredi local authorities and 8% in the Haredi local authorities. These differences, which also existed about a decade ago, can be explained by several factors. First, the low rates of employment among women in Arab society already reduces the chance of attending a supervised framework, since attendance is conditional on both parents either working or studying. Another possibility is that placement in ECEC frameworks based on the Law for Young Children At-Risk is a way of providing subsidies to poor families who are not otherwise eligible because the mother does not work, although this was not mentioned explicitly in the interviews we held. At the same time, in families where the mother does work, there may be a preference for a private framework, due to its low cost relative to private frameworks in the Jewish sector and in view of the flexibility in hours that some of these frameworks provide (see below).

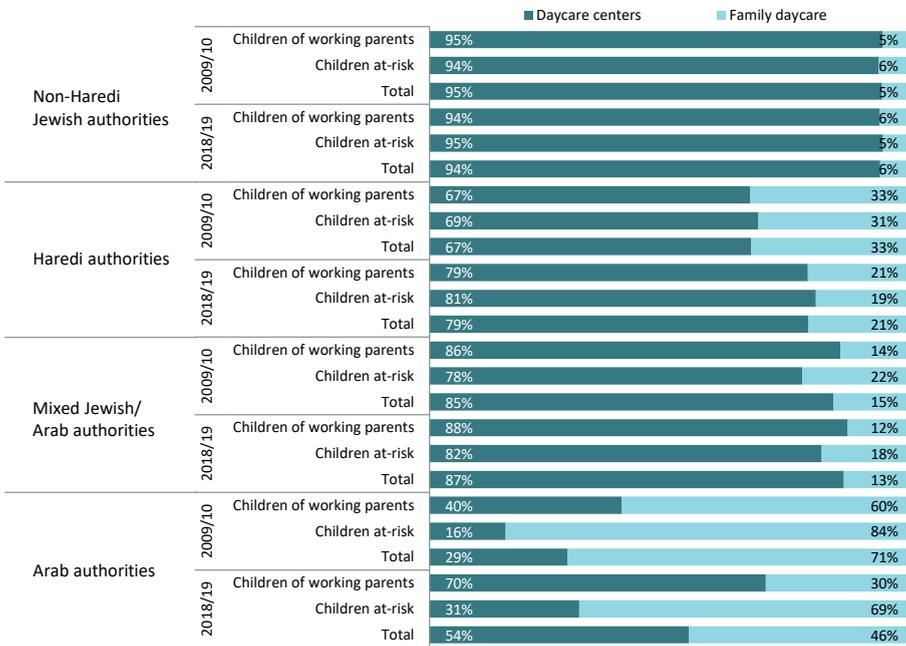
Figure 6. Breakdown of children from birth to age 3 in supervised frameworks, by local authority in 2009/2010 and 2018/2019



Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; CBS, local authority files

The significant differences between the populations have also been observed in the type of supervised framework that the children attend, i.e. a daycare or a family daycare. Of the children attending supervised frameworks, the share of children in Arab local authorities who attend family daycare is significantly higher than in other groups: about 46% of children in Arab local authorities as opposed to only about 6% in Jewish non-Haredi local authorities, about 13% in mixed local authorities, and about 21% in Haredi local authorities (Figure 7).

Figure 7. Breakdown of the birth to 3 age group in supervised frameworks, by type of placement, framework, and local authority, 2009/2010 and 2018/2019



Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; CBS, local authority files; Fichtelberg-Barmatz & Harris-Olshek, 2013

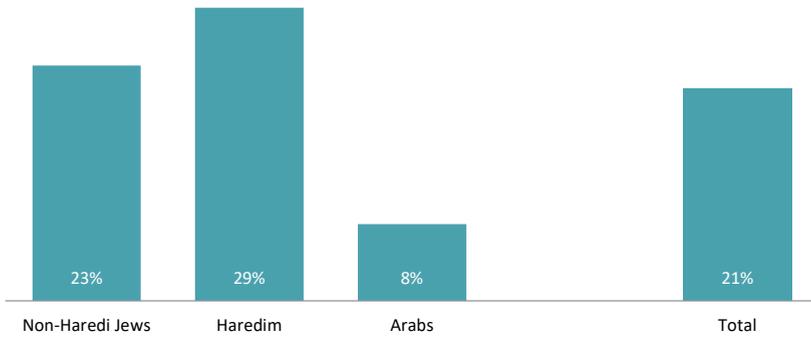
An examination of the trends in recent years shows that in Arab society there has been a relative decline in enrollment in family daycare. A decade ago, about 60% of the children of working parents were in a family daycare setting while currently that share is about 30%. Also, among young children at-risk there has been a relative increase in the share of children registered for daycare, although there is still a noticeably high share in a family daycare setting: about 70% as opposed to about 5% in Jewish non-Haredi local authorities and about 19% in Haredi local authorities (Figure 7). This decrease in the share of children cared for in family daycare is apparently the result of an increase in the number of daycare centers in Arab society during this period, although that number is still relatively low (see below).

As can be seen, the rates of enrollment in frameworks in Arab local authorities is relatively low (18%). The detailed data files for all children of working parents who are in supervised frameworks in Israel also allows identification of children who belong to a particular group but do not live in a local authority identified with that group.⁴ An examination of these data for the 2019/2020 school year reveals even larger disparities. Of all children of working parents who attend a supervised ECEC framework, the share of Arab children is only about 8% while the share of the population in that age group in Israel is about 22%. Essentially, only about 7% of all Arab children in the relevant age group in Israel are registered for supervised frameworks as children of working parents, as opposed to 23% of non-Haredi Jewish children and 29% of Haredi children (Figure 8).⁵

4 The file of individual data that we have access to includes data for children of working parents but not young children at-risk.

5 The estimate for the total number of children from birth to 3 for this calculation is based on the estimate derived from Ministry of Education data rather than the data from the CBS files of the local authorities, which we used in order to estimate the share of children in this age group in the local authorities.

Figure 8. Share of children of working parents from birth to age 3 in the same population group



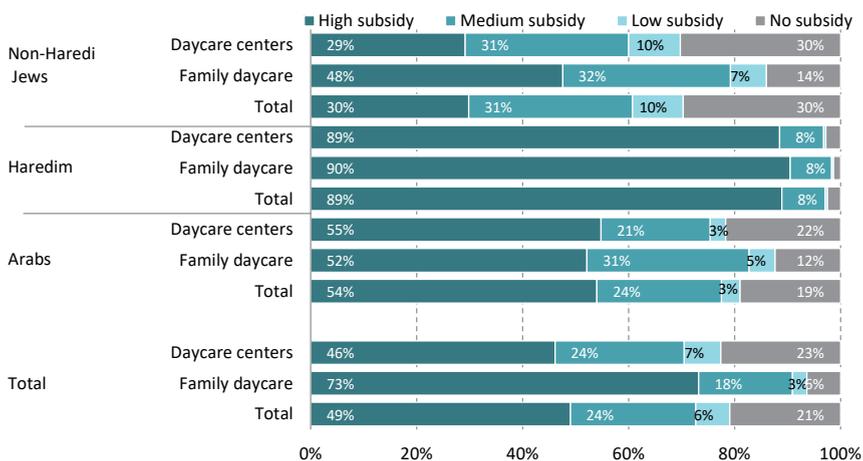
Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; Ministry of Education, A Wide Perspective website

Beyond the gaps in enrollment rates, the data presented in Figure 9 also reveal the gap in the subsidy levels for children of working parents.⁶ Particularly noticeable is the high share (89%) of children of Haredi working parents who are eligible for the high subsidy levels (over one-half of tuition), as compared to 54% for Arabs and about 30% for non-Haredi Jews. About 80% of the children of working parents were eligible for some level of subsidy in the 2019/2020 school year. They number about 89 thousand, of which 49,500 (56%) were Jewish non-Haredi children, about 32,000 (36%) were Haredi children and about 7200 (8%) were Arab children. Also noticeable is the particularly low rate (about 2%) of Haredi children of working parents who attend a framework without any subsidy. It is important to mention that this takes into account the additional subsidy provided specifically to mothers in Arab society, for whom there is a lower threshold of weekly hours required in order to receive a subsidy according to per capita income (24 weekly hours instead of 36).⁷

6 We chose to divide the children into four subsidy level categories: high subsidy (levels 3, 4, 14, 15, 18, 21, and 22), medium subsidy (levels 5–8), low subsidy (levels 9 and 10), and no subsidy (children who pay full tuition) (levels 11 and 12). For further details on tuition at the various levels of eligibility according to the framework and age of the child, see the subsidy tables by eligibility level on the website of the Labor Branch of the Ministry of the Economy and Industry.

7 In general, employment at a level of less than 36 weekly hours reduces the subsidy based on per capita income.

Figure 9. The breakdown of children from birth to age 3 of working parents in supervised frameworks, by subsidy level, type of framework, and sector, 2019/2020

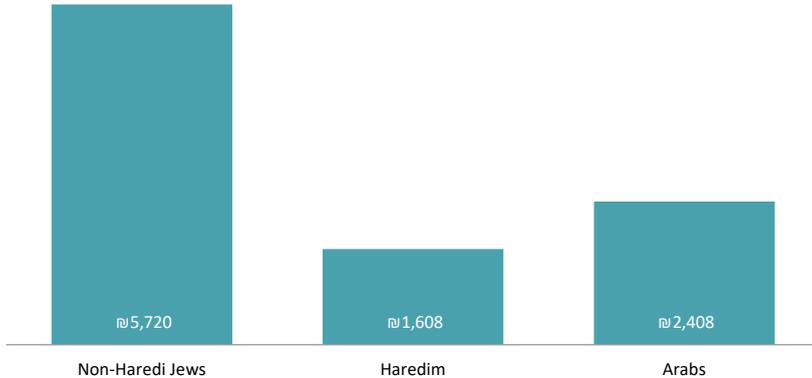


Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks

One possible way to understand the gaps in subsidies is the fact that subsidy level eligibility is based primarily on household per capita income. With respect to average per capita income in households with young children (Ministry of Economy and Industry, Labor Branch, 2019), the average per capita income in Arab households — and even more so in Haredi households — is significantly lower than in Jewish non-Haredi households (Figure 10). The gap between the Haredi and Arabs is largely the result of the fact that the former have on average a larger number of children per family than the latter.⁸ These gaps explain at least part of the differences observed in subsidies.

8 Based on data from the Household Expenditure Survey 2018 for households with children from birth to age 4.

Figure 10. Average per capita income in households with children from birth to age 4, by population sector, 2018



Note: Per capita income is calculated according to the accepted method for determining the level of subsidy eligibility, namely as the total labor income of the head of the household and their spouse divided by the number of household members up to the age of 18 and another two individuals.

Source: Madhala et al., Taub Center | Data: CBS, Survey of Household Expenditure 2018

Another possible way to understand the variation in subsidy levels is the number of children registered for supervised ECEC frameworks in the same household. The more children from the same household are registered for these frameworks, the larger the rate of tuition subsidy by the Ministry. The data for children of working parents reveal that in the 2019/2020 school year, the share of Haredi families in which more than one child was registered for supervised frameworks was 23%, which is 1.8 times higher than the rate among Arab families and Jewish non-Haredi families (Appendix Figure 2).

The Matthew Effect and attendance at an ECEC framework

One possible way to understand the differences in attendance at ECEC frameworks between social groups is the Matthew Effect, which describes a situation in which the main beneficiaries of social welfare programs are not those who need them most but rather more well-off groups (Gal, 1998). The reasons for this phenomenon are varied. In some cases, it is simply due to the fact that universal welfare programs are aimed not only at the poor but also

higher-income groups. In other cases, members of the middle class are more successful at exploiting social welfare programs that are primarily targeted at the needy, whether due to their higher level of education or human capital or because the social assistance system tends to focus on clients who can generate better outcomes (“cream-skimming”). Another reason is that the main target populations of these programs, who often suffer from poverty or marginalization, are not successful at taking up their benefit rights due to a lack of the necessary knowledge, time, or social capital (Bonoli et al., 2017).

One of the main goals of the social investment programs adopted in recent decades is to improve the skills of the most marginalized population groups and to integrate them more fully into the labor market. However, in many cases, these programs also serve individuals who are not part of the target population (Gal et al., 2020). A study in European welfare states reveals the existence of a Matthew Effect in programs aimed at young children. Indeed, in a large majority of European countries, the rate of preschool attendance among children of families with a low level of income and education is lower than among children of families with a high level of income and education (Pavolina & Van Lancker, 2018). The gaps are the result of both access to preschool frameworks and cultural factors, although the former has a larger effect. The barriers to enrollment in ECEC frameworks are related primarily to their cost and their accessibility for families and less to parental preference to care for their children at home rather than send them to daycare outside the home. Indeed, the findings of a survey carried out by the European Commission in 2016 showed that cost is the main barrier to the utilization of daycare and that this deters parents — and primarily mothers — from participating in the labor force (European Commission, 2018).

As we have seen, the data for attendance at supervised ECEC frameworks in Israel, and in particular, the data for Arab society, indicate that the Matthew Effect is also at play in the education and care of infants in Israel. This is seen in a significant gap between the share of Arab children who attend supervised preschool frameworks and the share among other population groups in Israel. In what follows, we will look at the possible explanations of this gap.

Reasons for low enrollment in supervised ECEC frameworks in Arab society

Research into enrollment in supervised ECEC frameworks in other welfare states and studies and reports on this topic in Israel suggest a number of explanations for the observed Matthew Effect. We will examine these explanations based on the quantitative and qualitative data gathered for this research and will try to shed light on the underutilization of these frameworks by parents in Arab society in Israel.

Personal preference

According to this explanation, which focuses on what is referred to as cultural factors (Steiber & Haas, 2012), low enrollment in supervised early childhood frameworks in Arab society reflects the personal preferences of parents with respect to employment and the desired type of childcare for children in this age group. The claim is that there is a preference in Arab society that children be cared for at home by their mother or some other female member of the household (grandmother, aunt, or sister) and that the transition to an external educational framework should occur only at a later age. If that is indeed the dominant view among parents in Arab society, or in parts of it, we would expect that it will shape opinions and behavior with respect to the integration of children within supervised daycare frameworks.

Research findings in other welfare states tend to minimize the importance of cultural explanations as a primary explanatory factor in the underutilization of supervised preschool frameworks (Pavolini & Van Lancker, 2018). We do not have any strong data that enables us to gauge the strength of the cultural explanation in Israel today. On the one hand, the findings of research carried out in Israel in the early 2000s indicated that this factor was still important in the way that parents in Arab society dealt with the double task of childrearing and integration in the working world (Feldman et al., 2001). Similarly, in the interviews we carried out, mothers expressed the importance of being present in the child's life at this age. On the other hand, the interviews we conducted and studies carried out among Arab women clearly indicate that mothers also understand that having the option to work is essential for both increasing the family's income and empowering them (Almagor Lutan, 2008; Herbst-Debby et al., 2020). In a survey conducted by the Taub Center among parents of young children (see the Data section in this paper), no evidence was found that Arab

parents who chose not to send their children to any kind of framework were influenced by the idea that it is desirable for their young children to be cared for at home. In fact, a higher share of parents who held this view was found in the Jewish population.⁹

Evidence of the increasing willingness of Arab women to consider a care framework for their young children can be found in a survey of care arrangements conducted by the Ministry of Economy in 2000 and 2013. The survey pointed to a substantial increase in the use of market arrangements (daycare frameworks for payment), particularly in Arab society. The rate of utilization of market arrangements among working Arab women rose from 49% in 2000 to 64% in 2013. Surprisingly, willingness to enroll children in these frameworks rose also among non-working women — from only negligible rates to about 29% (Fichtelberg-Barmatz & Greenstein, 2015). It can be assumed that these trends have continued in recent years, particularly in view of the data showing a significant increase in the share of Arab women participating in the labor force, even if it is still low relative to other groups in Israeli society (Fuchs & Weiss, 2018).

Due to the lack of comprehensive and representative surveys examining the reasons for enrollment in ECEC frameworks, it is difficult to quantify the effect of the cultural factor on these decisions in Israeli society. Nonetheless, the totality of the existing data and the evidence presented in this paper indicate that even if parents' decisions in Arab society not to enroll their young children in preschool frameworks is partially the result of the cultural factor, its weight has been declining in recent decades. Increasing numbers of young parents in Arab society wish to enroll their children in early education and care frameworks; however, there is no doubt that the choice of a supervised preschool framework rather than other solutions, such as family support networks and informal or unsupervised frameworks, depends on other factors. Another fundamental issue, which is partly related to the characteristics of the labor market, the employment skills of Arab women, cultural attitudes, and personal preferences, is the low rates of employment among women in Arab society and in particular among mothers of young children. Non-participation in the labor force constitutes a principal barrier to the attendance at supervised early childhood frameworks. We will discuss this issue at length in the section on barriers to access.

9 We note that in this survey educated Arab women were overrepresented. Therefore, it is certainly possible that the opinions expressed are not representative of all Arab women.

Systemic barriers

Enrollment in supervised early childhood frameworks is dependent first and foremost on the availability of such frameworks in the local authorities where families reside. An insufficient number of supervised frameworks means that even parents who want to send their children to supervised ECEC frameworks are unable to do so. In such cases, children attend unsupervised daycare or remain at home to be cared for by a family member. This explanation then focuses on the limited supply of supervised daycare centers in Arab local authorities and in particular on systemic barriers which lead to a shortage of supervised frameworks in these local authorities and prevent the expansion of their supply.

There is clearly an insufficient supply of supervised early childhood daycare settings in Arab local authorities. According to the data for the 2019/2020 school year, the current number of daycare frameworks for children of working parents in Arab society is about 1.6 per 1,000 infants, as compared to about 5.3 in non-Haredi Jewish local authorities. The shortage of daycare settings is particularly acute in Arab local authorities in the South, which serve the Bedouin population (Table 1). The data only relate to frameworks that care for at least one child of working parents. The available data did not allow us to quantify the number of frameworks that care only for children based on the Law for Young Children At-Risk. We should mention that the share of children included under the Law for Young Children At-Risk is particularly high in Arab local authorities, although primarily for children in family daycare.

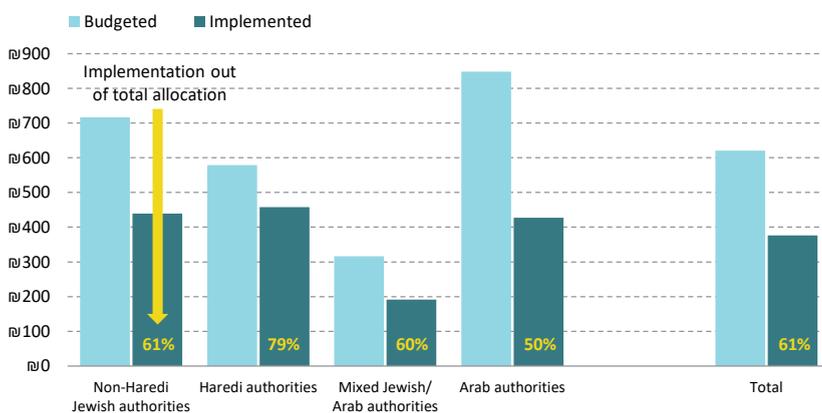
Table 1. Number of daycare frameworks caring for children of working parents, by local authority, 2019/2020

Type of local authority	Daycare settings per 1,000 children
Non-Haredi Jewish	5.3
Haredi	3.9
Mixed	3.4
Arab	1.6
Of those:	
Southern District	0.6
Other districts	2.0

Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; CBS, files of local authorities in Israel

The shortage of early childhood daycare settings in Arab society led to a decision in 2015 to earmark 25% of the budget for construction of early childhood daycare settings in Arab society.¹⁰ Indeed, the data indicate that the highest average allocation per child for the building of early childhood daycares was in Arab local authorities. Nonetheless, the actual implementation of the budget in the Arab local authorities was relatively similar to that in the Haredi and Jewish non-Haredi local authorities. The result is that the implementation rate in the Arab local authorities is the lowest — only about 50% (Figure 11) in contrast to 79% in Haredi local authorities and 61% in non-Haredi local authorities.

Figure 11. Average annual expenditure per child for the building of ECEC daycare settings, by local authority, allocation and implementation, 2014–2020



Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for allocation and implementation of building of daycare centers by local authority; CBS, files of local authorities in Israel

The low implementation rate of budgets allocated for the construction of daycare centers in the Arab local authorities naturally leads to the question of why this is the case. The findings of research into this question (Injaz, 2011; Sikkuy, 2019) point to various barriers that the Arab local authorities confront

¹⁰ See Government Decision 922 from December 31, 2015, Government Activities for the Economic Development of Minority Populations 2016–2020.

in their attempt to use the government resources allocated for building. The interviews we carried out as part of this study support those findings. There appear to be a number of possible explanations for the low execution rates. In a large share of Arab local authorities it is difficult to obtain building permits due to a lack of a master zoning plan and the shortage of land reserves, and in particular public land, suitable for daycare centers. This was also noted in the State Comptroller Report for 2016, according to which most of the requests submitted by the Arab local authorities for building daycare centers were rejected because they did not have a suitable building permit as a result of planning complications, among other things (State Comptroller, 2016, p. 51).

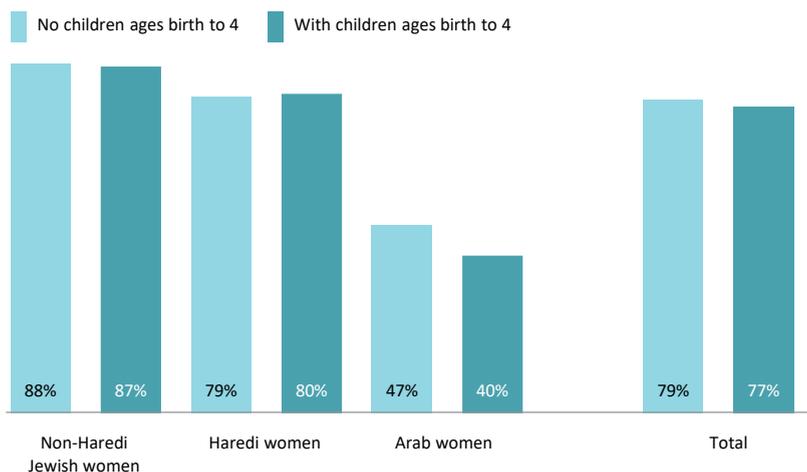
Another obstacle facing the Arab local authorities on the way to utilizing the budgets allocated for the construction of daycare centers is that apart from the cost of the planning and construction, there is a requirement to acquire new equipment that meets existing standards. Financing the acquisition of this equipment — not an insignificant expense — is not included in the budget allocation for building and in many cases the local authority does not have the necessary funds. Another barrier in some of the Arab local authorities is the ability to deal with the managerial and administrative complexities of the complicated and drawn-out bureaucratic processes required to obtain government support for the establishment of daycare centers. A further difficulty is the lack of professional manpower that can initiate and support the planning and building of infrastructure, manage the process of approval and financing, interact with the relevant vendors, and persuade the community to utilize these frameworks. A final possible explanation for the low execution rates is a low level of demand for supervised ECEC frameworks. However, our data does not support this explanation nor is there a reference to this reason in previous studies. Furthermore, the number of requests submitted by the Arab local authorities for daycare center construction (which are rejected due to the lack of a suitable building permit) is evidence of demand for frameworks of this type.

Barriers to access

Another explanation for low enrollment rates in supervised early childhood education and care frameworks in Arab society is related to accessibility barriers. One of the access obstacles is related to the priorities in the acceptance of children to these supervised frameworks, according to which preference is given to children of working mothers, and subsidies are contingent on both

parents working or studying. The low rates of employment among women in Arab society, and in particular mothers of young children (Figure 12), already limit both eligibility for acceptance as well as subsidies.

Figure 12. Employment rates among women ages 25–44, with and without young children, by population group, 2019



Source: Madhala et al., Taub Center | Data: CBS, Labor Force Survey 2019

Studies that have examined the integration of Arab children in supervised early education frameworks, as well as interviews conducted for this study, have underscored other obstacles to access. The first are physical barriers, such as the lack of transportation infrastructure and the mobility limitations of working mothers in Arab local authorities, which make it difficult to bring children to the frameworks. According to a report by the Ministry of Transport and Road Safety, a Jewish resident benefits from 2.5 times more public transportation service than an Arab resident in a similar local authority (Ministry of Transport and Road Safety, 2018). The implementation of Government Decision 922 for the Economic Development of Arab Society has brought about an improvement in transportation services in Arab towns in recent years; however, there is still an immense gap between them and Jewish cities (Bransburg et al., 2021). These problems, alongside the limited dispersal of supervised frameworks in Arab local authorities, are likely to explain not only the low enrollment rates

but also the preference for family daycare, which are more abundant and have a much broader dispersal (Almagor Lutan, 2008). This hypothesis is also supported by the findings of a Taub Center survey among parents of young children, in which a higher share of Arab parents than Jewish parents reported that they had not enrolled their child in a framework because they had not found an appropriate one in their area of residence.

Another accessibility limitation is related to the lack of synchronization between supervised daycare hours and the part-time work hours of many Arab women, a limitation that is less acute in non-supervised frameworks which tend to be more flexible. Finally, interviewees spoke of the many bureaucratic difficulties in registering for a supervised framework and in applying for a subsidy. Thus, for example, the directors of family daycare and daycare centers claimed to spend a great deal of time helping parents complete the forms for enrolling a child in a supervised framework and in explaining to them how to be eligible for a subsidy. In this context, a concern arose about a potential drop in enrollment for daycare centers due to technological difficulties in the transition to online registration, which began in the current school year (2021/2022), and is done directly to the Daycare Centers Department rather than through the daycare directors.

The financial burden

The final barrier relates to the cost of supervised early education frameworks. The high cost of attending a supervised framework, even after subsidies, relative to family income, the mother's real wage, or the cost of an unsupervised framework can lead parents to choose an unsupervised framework or to leave the child at home under the care of the mother or a family member. Indeed, this factor constitutes one of the main barriers to the utilization of supervised preschool frameworks among parents in European welfare states as well (Abrassart & Bonoli, 2015). As noted previously, the cost of enrolling in supervised daycare varies according to the type of framework, the age of the child, and the level of subsidy eligibility (depending on the household's per capita income and other factors). Thus, for example, in 2018, the cost of supervised daycare for a young child up to the age of 15 months without a subsidy was NIS 2,567 per month. With the highest level of subsidy, the cost was NIS 866 (for a family with one child in a supervised framework, excluding children placed in daycare through the Law for Young Children At-Risk). For a child over the age of 15 months, the cost without subsidies was NIS 1,970 and

the cost at the highest level of subsidy was about NIS 670. In 2018, the net median labor income of a mother of a child up to the age of 4 in Arab society was about NIS 4,800, such that the daycare costs in these examples range from 14% to 54% of her salary (according to the age of the child and the level of subsidy eligibility).¹¹

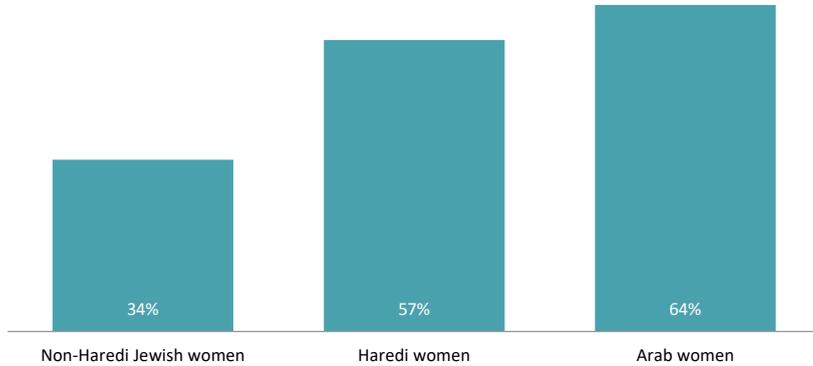
Due to the relatively low wages of Arab population mothers, the economic consideration of high daycare fees relative to earnings may also explain (in addition to personal preferences) part of the gap that emerges in Figure 12 between employment rates of Arab mothers of young children and mothers in other population groups.

Following the social protests of 2011 and the recommendations of the Trajtenberg Committee, the government, as in other welfare states, began providing tax benefits for the financing of daycare expenses for the birth to 5 age group, primarily those related to education. Yet, the use of the tax credit mechanism as a way to lighten the financial burden of daycare is largely irrelevant for mothers in Arab society. The full amount of the credit points for a mother with one child is NIS 545 per month (one point for a child up to the age of 18 and 1.5 points for children up to the age of 5, in 2021 prices), an amount equal to more than 20% of the average full price (without subsidies) of a supervised framework. Yet, in order to take advantage of this benefit, a woman needs to be employed and to reach the relevant tax threshold. As seen in Figure 12, the share of working women in Arab society is very low and of those that do work, 64% do not reach the first tax bracket. This means that almost two-thirds of working women in Arab society are unable to take advantage of this benefit (Figure 13).¹²

11 Since the level of subsidy is dependent mainly on household per capita income, a mother who earns the median salary is likely to be eligible for various levels of subsidy, such that the subsidy level is liable to have an influence on considerations of whether to work or stay at home and “save” the tuition.

12 In Israel, a working woman with a child up to the age of 5 whose earnings do not reach the first tax bracket does not reach the threshold for full utilization of the available tax credit points. Even women who exceed the first tax bracket may not reach the threshold, since this is dependent on the number of children and the woman’s family status. Thus, the share of women who earn less than the first tax bracket is the minimum share of women who do not enjoy all of the credit points available (the actual share is apparently even higher).

Figure 13. Share of women ages 25–64 earning less than the first tax bracket



Note: Share of working women whose gross income is lower than the first tax bracket according to 2018 data.

Source: Madhala et al., Taub Center | Data: CBS, Household Expenditure Survey 2018

Another reason for the low attendance rates at supervised daycare in Arab society is the preference of parents for existing private frameworks. Unlike the Jewish non-Haredi sector, the cost of private frameworks in Arab society is low, ranging from NIS 1,000 to NIS 1,700 per month for a full day (until 16:00).¹³ This is lower than the cost of a supervised framework for an individual who is not eligible for a subsidy, and is even lower than the cost after subsidies at some eligibility levels. Moreover, some of the private frameworks allow registration of a child for only half a day and at a corresponding price, an arrangement that may suit mothers in Arab society, many of whom work in part-time jobs.

¹³ Based on conversations we held with owners of private preschool frameworks in Arab society and with the mothers of young children in Arab society.

Policy Alternatives

The government of Israel has adopted measures during the past decade that have increased enrollment in supervised early childhood education and care frameworks in Arab society. However, the share of Arab children in these frameworks is still low relative to other groups in Israeli society. In this sense, government policy has not yet succeeded in overcoming the Matthew Effect, and the social investment targets in Arab society are far from being achieved. A government policy that tackles the barriers identified in this study, which limit the enrollment in supervised frameworks in Arab society, can contribute to expanding access to these frameworks. Furthermore, such a policy is likely to weaken parent opposition to transferring the responsibility for daycare from the family to high-quality early education and care frameworks for their young children. These frameworks, as noted above, encourage cognitive, social, and emotional development of children. Below we present policy alternatives to overcome the barriers presented in this study.¹⁴

1. Planning and infrastructure barriers

The Arab local authorities suffer from unique planning problems which make it difficult for them to create the infrastructure for daycare frameworks and to utilize the budgets allocated for that purpose. In order to deal with these problems, a series of measures are necessary which primarily involve the modification of planning rules in order to tackle the complex reality of Arab society and the lack of vacant public land and approved zoning plans in their local authorities.

In discussions that we held with diverse organizations (such as Sikkuy, 2019), which focused on possible planning trajectories for increasing the use of budgets allocated for the construction of daycare centers in Arab society, several detailed proposals emerged. Among them:

- Allowing other agents to initiate the construction of daycare centers; finding planning solutions for building in densely populated neighborhoods, which are particularly characteristic of Arab local authorities; accelerating and supporting planning approval processes for the construction of daycare centers on private land in the planning councils. The budget cost of this proposal is negligible.

14 For convenience, the main policy alternatives are summarized in a table presented below.

- Increasing the resources allocated by the State to all stages of the process of building daycare centers in Arab society. In view of the acute shortage of resources in many of the Arab local authorities, which makes financing of the various stages of planning and approval of daycare construction and acquisition of equipment difficult, it would be worthwhile considering a significantly larger allocation of government resources for these purposes and providing greater flexibility to the local authorities in the manner of their participation in the financing of daycare planning and construction. The budget cost of this proposal is unknown.
- The recruiting and training of professionals for the development of ECEC framework infrastructure. This will help in overcoming the planning, budget, and bureaucratic complexity in expanding a daycare infrastructure that is faced by the local authorities. The shortage of professionals due to budget constraints is a major stumbling block for local authorities seeking to participate in programs for the development of early childhood education and care frameworks. Therefore, it is proposed that a designated program be implemented for the training of professionals in this area and perhaps also financing its cost in Arab local authorities. This program can be initiated by the government in partnership with civil society organizations. The budget cost of this proposal is estimated to be about NIS 15 million per year for full-time positions in every Arab local authority of over 5,000 residents and about another NIS 135,000 to be invested in their training.¹⁵

2. Accessibility barriers

The barriers that limit the access of parents to supervised preschool frameworks are both physical and bureaucratic. The latter are related to the priorities for acceptance to daycare and subsidies that are contingent on the mother's employment, in addition to barriers related to the enrollment process, such as the subsidy application process, language difficulties, and access to a computer. The physical barriers are related to the special dispersal of frameworks and the access to public transportation.

15 The estimated cost of the positions is based on the average cost per full-time equivalent position of a social worker according to Ministry of Welfare and Social Affairs data. The estimated cost of training is based on the cost of similar programs for social workers.

Following are several proposals that are worth considering in this context:

- As part of the process of defining the role of supervised ECEC frameworks in Israel, it would be worthwhile reconsidering subsidies that are contingent on the employment of the mother. Finland, for example, has adopted a universal model that provides financing of early childhood care to all parents, regardless of whether they are employed; the choice of framework is even left to the parents. The adoption of such a universal model, particularly in Arab society, will expand the accessibility of supervised frameworks to a large number of families. At the same time, it is also likely to increase the participation of Arab women in the labor force, as was seen in the past when the Free Compulsory Education Law was expanded to include ages 3 and 4 (Schlosser, 2006). Due to the budget implications of this proposal, it is recommended that it initially be tested in a number of local authorities in order to assess its feasibility.
- A thorough examination should be carried out of the enrollment process for supervised frameworks and the subsidy application process. This is a complex process that involves completing numerous forms and the submission of many documents within a limited amount of time; furthermore, enrollment can only be done online as of the current school year. In addition, information in Arabic is not fully accessible. In order to overcome these barriers, it is recommended that an in-depth examination be made of the process and that more user-friendly alternatives for parents be created. The cost of this proposal is negligible.
- A more flexible public transportation system is called for, as well as a wider geographic dispersal of supervised frameworks in Arab local authorities. In view of the lack of public transportation in Arab local authorities and the effect that it has on parents' choice of a daycare framework, it is proposed that the public transportation routes be made more flexible. This might include the use of small buses that can navigate narrow streets. This is in addition to the budget prioritization of the Arab local authorities with respect to investment and development of infrastructure and the upgrading of public transportation. In addition, it is recommended that greater importance be attached to location and access in the planning and construction process of new frameworks.

3. Economic barriers

A major barrier faced by Arab families in sending their children to a supervised framework is their high cost relative to the income of women in the sector and in contrast to the low cost of private alternative frameworks that are not supervised. In order to overcome this barrier, the cost of supervised frameworks can be reduced or alternatively the resources available to encourage attendance at a supervised framework can be increased. Following are several measures that can be adopted to accomplish this:

- The extent of subsidies can be expanded. A concrete proposal was recently made by Trajtenberg and others. They proposed that monthly tuition in a supervised early childhood education framework would not exceed NIS 1,000, as is the case in the institutions of higher education (Trajtenberg et al., 2019). In the context of Arab society, this proposal would involve lowering the price of a supervised framework to a level similar to or even less than that of an unsupervised framework. The cost of this proposal is estimated at about NIS 4.5 billion per year (an underestimate that does not take into account the possible increased demand for supervised frameworks as a result of lower tuition).
- Allowing a short day in supervised frameworks. In this way, it will be possible to better meet the needs of mothers in Arab society. This proposal should be tested in a number of Arab local authorities in order to assess its implications and its cost.
- The system of tax benefits for parents of young children should be modified. The tax benefits for parents of children up to the age of 5 are a tool for reducing the financial burden of financing of childcare. Since a significant share of working women in Arab society do not benefit from the credit points because their salaries are below the tax threshold, it is recommended that the requirements be modified. The credits currently given to parents are estimated to be about NIS 5.2 billion per year (Ministry of Finance, 2017). It is possible to allocate an amount equal to the unused portion of the tax benefit in order to increase the direct subsidy of tuition in a supervised frameworks for working mothers who do not reach the first tax bracket.

The estimated cost of this change ranges from NIS 151 million to NIS 314 million per year.¹⁶

- Tax benefits to employers who provide daycare to their employees, whether partial or in full, in supervised public or private care frameworks should be considered. Tax benefits of this sort are given in countries like Austria, France and Poland, and are likely to encourage labor force participation among women. The expected drop in tax revenues is likely to be moderated by the expected increase in the labor force participation of women. The cost of this proposal should be calculated according to the specific characteristics of the policy alternative to be decided on.

16 The range of the estimate is based on the assumption that the eligibility for a discount would be used by between 24% and 50% of eligible mothers (according to the current enrollment rate and on the assumption that as a result of the benefit this rate would rise).

Table 2. Summary of the policy alternatives

	Proposed alternatives	Estimated cost
Planning and infrastructure barriers	Changing of planning rules according to the complex reality of Arab society	Negligible
	Increasing resources allocated to Arab local authorities for the planning and approval stages of daycare center construction	Cost is unknown and dependent on a variety of factors according to the specific needs of each local authority
	Addition of job positions and the hiring and training of professionals by Arab local authorities to develop the early education and care infrastructure	About NIS 15 million per year
Barriers to access	Assessing canceling subsidies that are conditional on the employment of the mother by means of a pilot in a number of local authorities	The cost is unknown and should be estimated according to the results of the pilot
	An in-depth analysis of the enrollment process for supervised frameworks and the application process for subsidies	Negligible
Economic barriers	Expanding the subsidies so that tuition would not exceed NIS 1,000 per month	About NIS 4.5 billion per year
	Allowing a short day in supervised frameworks as a pilot in a number of Arab local authorities	The cost is unknown and should be estimated according to the results of the pilot
	Changing the tax benefit structure and using the unused portion of the tax benefit to reduce daycare costs	About NIS 151–NIS 314 million per year
	Tax benefits for employers who finance daycare services for their employees	The cost is unknown and should be calculated according to the characteristics of the benefit that is decided on

Conclusion

This study first and foremost sheds light on the limited enrollment in State subsidized and supervised early education and care frameworks in Arab society. This is problematic since supervised early education frameworks are an essential component of social investment. It is particularly important for children living in poverty, to encourage labor force participation among mothers of young children, and it has the potential to contribute to the cognitive, social, and emotional development of children and the improvement of their future skills and abilities. Expansion of accessibility to daycare in Arab society may also contribute to reducing social and gender inequality in this community. The long-term government effort to expand supervised daycare attendance among Arab society has so far produced disappointing results. More than 80% of young children living in Arab local authorities do not attend a supervised framework. Despite the high rate of poverty among children in Arab society, their rate of attendance at supervised daycare is less than that of Jewish children and in particular Haredi children. In this study, we offered a number of explanations for the low enrollment in supervised daycare, a phenomenon that we attributed to the Matthew Effect.

The phenomenon of limited utilization of supervised daycare by marginalized social groups is well-known also in the European welfare states. Some of the explanations for this phenomenon according to our research are also applicable in the Israeli context. We identified four main explanations. The first focuses on the preference of parents to care for their young children at home – either by the mother or another family member. A second explanation is the insufficient supply of supervised daycare in Arab society. Although in recent years, more resources have been allocated, only about half of the amount has been utilized. The low rate of execution is related to planning obstacles and the lack of physical and professional infrastructure needed to establish daycare centers in Arab society. A third explanation involves accessibility barriers. One such barrier is that daycare subsidies are based on the employment of the mother, a condition that from the start excludes a significant share of children in Arab society and serves to prevent them from attending subsidized and supervised frameworks. A second barrier to access is the bureaucratic difficulty of enrollment in supervised frameworks and the difficult application process for subsidies. Additional barriers to access include the lack of public transportation infrastructure and the lack of synchronization between the daycare's hours of activity and the work schedule of many

mothers in Arab society. The fourth and final explanation that arose from our research is the economic explanation. As in other welfare states, the cost of supervised frameworks constitutes an important barrier. We have shown not only that the average salary of Arab mothers in Israel is very low but also that the cost of supervised daycare in Arab society is significantly higher than that of an unsupervised framework. In addition, almost two-thirds of Arab mothers are not eligible for the tax benefits that are meant to reduce the cost of ECEC frameworks.

In this study, we have presented policy alternatives that can help in overcoming the obstacles that limit attendance at supervised ECEC frameworks in Arab society. The proposed alternatives focus on improving the process of constructing daycare centers in Arab local authorities, removing barriers to access and easing the economic burden of sending young children to supervised frameworks. It is hoped that the adoption of the proposed alternatives, or at least some of them, will increase attendance rates at supervised early education settings among Arab children and will achieve broader policy objectives, namely increasing social mobility and reducing social and gender inequality

References

English

- Abrassart, A. & Bonoli, G. (2015). Availability, cost or culture? Obstacles to childcare services for low-income families. *Journal of Social Policy*, 44(4), 787–806.
- Bonoli, G., Cantillon, B., & Van Lancker, W. (2017). Social investment and the Matthew Effect. In A. Hemerijck (Ed.), *The uses of social investment*. Oxford University Press.
- CBS (2021). [Labor force survey 2019](#). Central Bureau of Statistics.
- European Commission (2018). [On the development of childcare facilities for young children with a view to increase female labour participation, strike a work-life balance for working parents and bring about sustainable and inclusive growth in Europe \(the “Barcelona objectives”\)](#). Publications Office of the European Union.
- Feldman, R., Masalha, S., & Nadam, R. (2001). Cultural perspective on work and family: Dual-earner Israeli Jewish and Arab families at the transition to parenthood. *Journal of Family Psychology*, 15(3), 492–509.
- Fuchs, H., & Weiss, A. (2018). [Israel’s labor market: An overview](#) (pp. 85–104). In A. Weiss (Ed.), *State of the nation report: Society, economy and policy in Israel 2018*. Taub Center for Social Policy Studies in Israel.
- Gal, J. (1998). Formulating the Matthew Principle: on the role of the middle classes in the welfare state. *Scandinavian Journal of Social Welfare*, 7(1), 42–55.
- Gal, J., Madhala, S., & Yanay, G. (2020). [Social investment in Israel](#) (pp. 329–365). In A. Weiss (Ed.), *State of the nation report: Society, economy and policy in Israel 2020*. Taub Center for Social Policy Studies in Israel.
- Heckman, J. J., Moon, S.H., Pinto, R., Savelyev, P. & Yavitz, A. (2010). The rate of return to the High Scope Perry Preschool Program. *Journal of Public Economics*, 94(1), 114–128.
- Herbst-Debby, A., Sabbah-Karkabi, M., & Meler, T. (2020). Palestinian mothers in Israel: Can a welfare-to-work program enhance their social capital? *Current Sociology* (online).
- Hufkens, T., Figari, F., Vandellanoot, D. & Verbist, G. (2020). Investing in subsidized childcare to reduce poverty. *Journal of European Social Policy*, 30(3), 306–319.
- León, M. (2017). Social investment and childcare expansion. In A. Hemerijck (Ed.), *The Uses of Social Investment*. Oxford University Press.
- Moshel, S. (2015). [Early childhood education as a means for reducing inequality: Research, policy and practice](#). Literature review prepared for the Committee Studying Inequality in Education: Relationships Between Rising Socioeconomic Inequality and Equality of Opportunity. The Initiative for Applied Education Research.

- Pavolini, E. & Van Lancker, W. (2018). The Matthew Effect in childcare use: A matter of policies or preferences? *Journal of European Public Policy*, 25(6), 878–893.
- Rabinowitz, M. (2019). *Early childhood education and care (ECEC) services – Abstract*. Knesset, Research and Information Center.
- Shavit, Y., Friedman, I., Gal, J., & Vaknin, D. (2018). *Emerging early childhood inequality: On the relationship between poverty, stress, sensory stimulation, and child development and achievements*. Taub Center for Social Policy Studies in Israel.
- Steiber, N. & Haas, B. (2012) Advances in explaining women’s employment patterns. *Socio-Economic Review* 10(2), 343–367.
- Zontag, N., Navon, Y., Vaknin, D., Bowers, L., Blank, C., & Shavit, Y. (2020). *Educational frameworks for young children and academic achievement in Israel*. Early Childhood Research Series. Research Paper No. 4. Taub Center for Social Policy Studies in Israel.

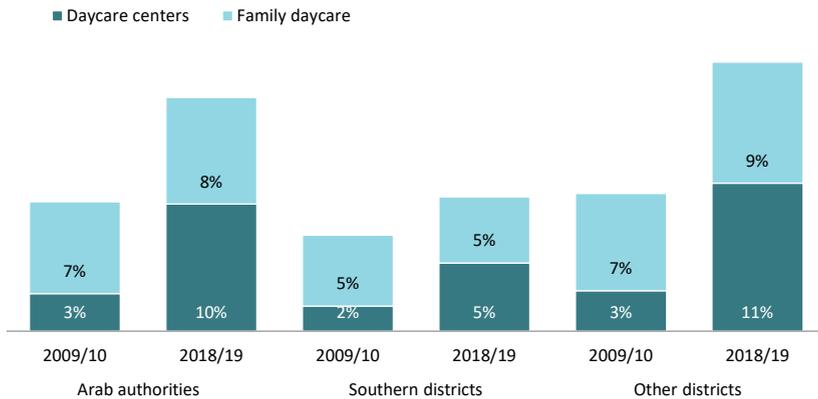
Hebrew

- Almagor Lutan, O. (2008). *Recognized daycare and home child care in the Arab sector*. Knesset Research and Information Center.
- Branzburg, I., Mansour, O., & Abu-Ahmad, M. (2021). *Differences in public transportation between Arab and Jewish towns in Israel*. Sikkuy — The Association for the Advancement of Civic Equality
- Citizens’ Empowerment Center in Israel (CECI) (2017). *Follow-up report: Government decisions about child daycare facilities*.
- Doron, A. (2017). Expanding the day care system for young children in Israel in the 1970s: A case study of social policy. *Social Security*, 101, 119–140.
- Fichtelberg-Barmatz, O. (2015). *Characteristics of private daycare center for very young children*. Ministry of Economy.
- Fichtelberg-Barmatz, O., & Greenstein, M. (2015). *Arrangements for childcare for young children — current trends and changes of the past decade*. Ministry of Economy.
- Fichtelberg-Barmatz, O., & Harris-Olshek, R. (2013). *Day care centers and homecare recognized by the Ministry of Economy 2010–2011*. Ministry of Economy.
- Injaz (2011). *The main obstacles to establishing daycare centers from the perspective of the local Arab authorities*. Injaz: The Injaz Center for Professional Arab Local Governance.
- Ministry of Economy and Industry, Labor Branch (2019). *Means test for tuition subsidies from daycare and family daycare for the 2019/2020 school year*.
- Ministry of Finance (2017). *Revenue report for 2015–2016*. Ministry of Finance, Head of State Revenues.
- Ministry of Transport and Road Safety (2018). *Budget proposal for 2019 financial year*.

- Schlosser, A. (2006). [Public Preschool and the Labor Supply of Arab Mothers: Evidence from a Natural Experiment](#). *Economic Quarterly*, 53, 517-553.
- Sikkuy (The Association for the Advancement of Civic Equality) (2019). [Building daycare centers in Arab towns: Barriers and recommendations](#). Prepared for the inter-ministerial committee for examining the state of daycare centers.
- State Comptroller and Ombudsman (2016). The State's efforts to encourage the integration of Arab society into employment. In *Annual Report 66c*. State Comptroller and Ombudsman of Israel.
- Trajtenberg, M., Zer Aviuv, H., Leyzer, R., Uziel, E. (2019). [Turning the pyramid upside down: Vision and policy for early childhood in Israel](#). Samuel Neaman Institute for National Policy Research.

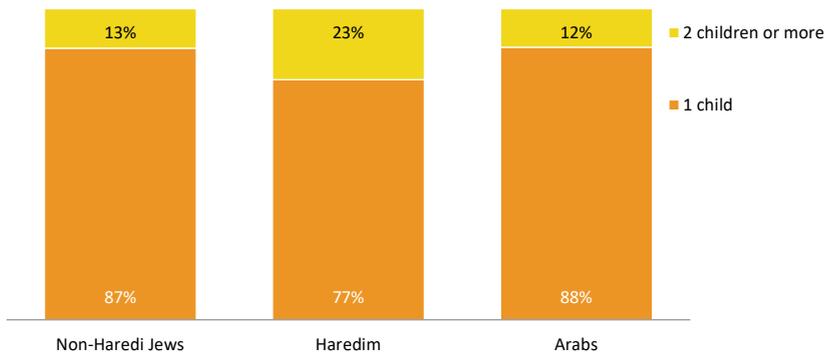
Appendix

Appendix Figure 1. Share of children in supervised frameworks in Arab local authorities



Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks; CBS, files of local authorities in Israel; Fichtelberg-Barmatz & Harris-Olshek, 2013

Appendix Figure 2. Breakdown of households with children from birth to age 3 with working parents who attend a supervised framework, by the number of children enrolled in supervised frameworks in the 2019/2020 school year



Source: Madhala et al., Taub Center | Data: Ministry of Welfare and Social Affairs, files for mapping young children in supervised frameworks