



34. þing Landssambands ísl. verzlunarmanna
30.-31. október 2025

Resolution on Preschool Policy

The Congress of the Commercial Federation of Iceland (LÍV) strongly criticises the fundamental changes that many municipalities have introduced to the preschool system and urges the City of Reykjavík to withdraw its proposals to follow the same path.

These changes originate in a new policy adopted by the Municipality of Kópavogur in 2023, which aims to reduce the number of hours and days that children spend in preschool. A recent study by Varða – the Labour Market Research Institute – on the effects of the “Kópavogur Model” shows growing dissatisfaction among working parents, increased tension between work and childcare, and greater pressure on women.

Public preschools, where fees are kept reasonable, are a cornerstone of the welfare society. They promote labour market participation (especially among women), reduce poverty, foster equality, have a positive impact on economic growth, strengthen communities, and ease stress and anxiety among parents. The changes currently being implemented in preschools are a step in the wrong direction. They increase the financial burden on parents, and fee structures have become so complicated that parents need online calculators to determine their monthly payments. It should be noted that child benefits in Iceland are income-linked, and the LÍV Congress firmly rejects income-based preschool fees. Such means testing can discourage participation in the labour market and undermine the wage improvements that trade unions negotiate in collective agreements.

Icelandic preschools originally developed as daycare institutions serving multiple purposes: educational, social, and economic. They are essential educational and developmental institutions, but also safe and nurturing spaces for children while their parents are at work. Changes to the preschool system therefore have wide-ranging social and economic consequences.

The LÍV Congress emphasises that preschool policy is a wage and labour issue, as access to preschools is a prerequisite for parents to participate in paid employment. Through price controls and social pressure, parents are being forced to shorten their children’s preschool attendance to address municipalities’ financial problems. Instead of improving working conditions in preschools – and learning from the many preschools that already excel – these challenges are being shifted onto parents.



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These changes hit hardest among full-time working parents of young children, the same group already burdened by the severe housing crisis.

The LÍV Congress further notes that these changes to the preschool system have never been subject to democratic debate or electoral approval. They directly contradict promises made by municipalities in connection with the most recent collective agreements, under which wage earners accepted modest pay increases in return for assurances that the public sector would not impose additional financial burdens on them. Despite this, some municipalities have increased preschool fees by tens of percentage points.

The LÍV Congress demands that municipalities find alternative ways to respond to changing conditions within the preschool system and reminds them of their obligation to honour the commitments made in the most recent collective agreements.