



The EU Mutual Learning Programme in Gender Equality

Instruments to foster long-term paternal involvement in family work

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Comments Paper - Iceland



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Parental leave in Iceland

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1. The Icelandic context

1.1. Revolution in 2000

In spring 2000, the sitting centre-right government presented a bill on parental leave to Althingi, the Icelandic parliament. If passed it would completely revolutionize the system in several areas: 1) The leave was extended in steps from 6 months to 9. It is for birth, adoption and permanent foster. 2) The 9 months were divided so that fathers have 3 months, mothers 3 and 3 can be divided as the couple likes. The designated months were strictly non-transferable except in cases where either parent dies before having made full use of her or his right. 3) Economic compensations were increased from a low flat-rate benefit to 80% of salary with no upper limit. However, there was a floor so that if 80% of salary was below a certain minimum it was raised. Those outside the labour market or working less than 25% received a flat-rate compensation. 4) The prior rigidity of the system was replaced by flexibility. Parents have 18 months to make use of their rights (now 24) and they can use it as they like. They can choose to be at home together part of it or all of it, they can be on leave one week and work the next or go down to, for example, 50% work. This has to be in agreement with the employer but if no agreement is reached then the employee always has the right to take leave in one uninterrupted period. Parents can extend their leave (up to 18 months) to a similar reduction in compensation. 5) A new kind of leave was introduced, 3 months (now 4) for each parent to be used before the child is 8 years old. This is also strictly non-transferable but without any economic compensation. 6) Same-sex couples have the same rights as heterosexual couples. 7) The system is financed by a part of the insurance levy paid by all employers and the payments and other aspects of the system are administered by The Parental Leave Fund. 8) Parents retain their right to their jobs while on leave and they continue to accumulate social rights (such as holidays and pension rights) in the same way as if they were working. 9) In case of multiple birth leave is extended by 3 sharable months for each child. In cases where children need to stay in hospital for more than 7 days the sharable period can be extended.

The stated goals of the law was on the one hand to ensure the rights of the child to care from both parents and secondly to improve the possibilities for both men and women to combine family life and work.¹ This bill was passed unanimously in Althingi, one MP abstained from voting.²

¹ The law is available in English at https://www.government.is/media/velferdarraduneyti-media/media/acrobat-enskar_sidur/Act-on-maternity-paternity-leave-95-2000-with-subsequent-amendments.pdf

² For a comprehensive overview of the development of parental leave in Iceland and the discussions leading to the changes in 2000 see Gíslason, Ingólfur (2007). *Parental Leave in Iceland. Bringing the Fathers in*. Akureyri: Jafnréttisstofa.

1.1.1. Changes since 2000

There have been three major changes to the system since 2000. 1) In 2004 a ceiling on economic compensations was introduced. It was very high and only affected 2.6% of fathers and 0.4% of mothers. However, following the financial crash in Iceland in 2008 this ceiling was lowered considerably and in 2010 when the effects were the highest the ceiling affected 45.7% of fathers and 19% of mothers.³ The ceiling has been raised again and there seems to be a complete political consensus that it should be raised to the pre-2008 level. 2) Transferability has been extended. Originally a designated leave could only be transferred if either parent died before having used her or his right. Now rights can also be transferred if a parent is in prison or seriously ill. 3) Single women who have undergone artificial insemination can use all 9 months as can individuals that adopt children or take them for permanent foster.⁴

1.1.2. Usage

The new laws immediately became hugely popular with 82.4% of fathers making use of their right the first year, a figure that was up to 90% in 2008. The number of days they use has tended to closely follow their non-transferable rights. In 2001 when they got their first month they used on average 39 days. When they got their second month in 2002 this went up to 68 and then 97 when they got the third month. In 2008 the usage was up to 103 days. Around 20% of the fathers then made use of some of the sharable time and slightly fewer (around 18%) did not make full use of their 3 months. Mothers on the other hand, consistently make use of 180 – 186 days, i.e. their three months and the sharable months. Following the cut in economic benefits in 2008 and 2009 both the share of fathers making use of their right and the number of days used by fathers dropped. The drop in usage was, however, not as substantial as feared. Around 80% of fathers made use of their right after the cuts. However, there was a substantial drop in days used, from around 100 days to 86. The usage of mothers was not affected.⁵

Three important lessons can be drawn from this. One is that fathers do not have to be coerced into taking parental leave. Remove legal and financial obstacles and they are more than ready to take care of their children. Another is that a time that is sharable becomes a time for mothers. And the third is that fathers are much more affected by the level of economic compensation than mothers.

1.1.3. Early childhood education and care

Iceland has a fairly comprehensive system of pre-schools or play-schools as they are called in Iceland in recognition of the fact that children learn by playing. In fact, the Ministry for Education and Culture is in charge of play-schools as of other schools even though the local municipalities run the play-schools. There are no rights to a place in play-schools or to other forms of care but play-schools are heavily subsidised. Around 97-98% of children between the ages of two and five

³ Eydal, Guðný Björk and Inólfur V. Gíslason (2016). Caring fathers and parental leave in prosperous times and times of crisis: the case of Iceland. In Eydal and Rostgaard (eds.). *Fatherhood in the Nordic Welfare States*. Bristol: Policy Press.

⁴ https://www.government.is/media/velferdarraduneyti-media/media/acrobat-enskar_sidur/Act-on-maternity-paternity-leave-95-2000-with-subsequent-amendments.pdf

⁵ Eydal, Guðný Björk and Inólfur V. Gíslason (2016). Caring fathers and parental leave in prosperous times and times of crisis: the case of Iceland. In Eydal and Rostgaard (eds.). *Fatherhood in the Nordic Welfare States*. Bristol: Policy Press.

attend play-schools and about 45% of the one year old. Over 87% of the children attend for 8 or 9 hours daily. More one year old children would attend if there were more places but even though the situation has been getting better there are waiting lists. There is also a lack of educated personnel.

1.1.4. Results

A major positive result of the law is of course that between 80 and 90% of fathers make use of their right to leave and (prior to the cuts in economic compensation) on average used the three months allotted to them. A longitudinal study of the effects of the law has also revealed a major increase in equal sharing of care-taking among parents, not only during parental leave but right up to the time the children are three years old. Among parents who had their first child in 1997, three years before the law in 2000, care during the day was shared equally in about 45% of the families by the time the children were three years old. For those who had their first child in 2009 care was divided equally in 70% of families when the child had its third birthday. Among those parents, care was divided equally in 50% of families by the time the children were one year old. The same study also shows: 1) A similar development of division of care during the night. 2) That this is much more pronounced in families where the father has taken long leave than in families where he has taken little or no leave. 3) That mothers return to work earlier now than in 1997. 4) That mothers are up to similar levels of working hours as before giving birth earlier now than in 1997.⁶

2. Policy debates

Three major areas of policy discussions can be detected. One is the restoration of the economic compensation. There seems to be a complete political agreement that this should be done and it has (slowly) been happening. Another is the necessity of extending the leave. The sitting government, straddling the political spectrum, announced in its manifest that it intended to extend the leave though nothing was said about when or for how long. In fact, this is the third governmental coalition to promise something similar. The first was the coalition that came to power in 2007 but the plans were cut short by the economic crash in 2008. The second was the coalition that was in power from 2009 to 2013. This government actually got a bill through Althingi in December 2012 extending the leave to 12 months and dividing it so that fathers and mothers had 5 months each and then there were 2 sharable months. The government that came into power in 2013 abandoned these ideas, claiming that state finances had not recovered sufficiently. The third major area for discussion is the so called “care gap” namely the period from the end of parental leave to a place in a playschool. Research has shown that it is much more likely that mothers try to bridge this gap by adjusting their participation in the labour market than that fathers do that. Private child-minders are also used but are very expensive and then the extended family often helps.⁷ So obviously, this works against the gender equality goals of the law. There seems to be a fairly broad consensus that the care gap has to be bridged and most social actors agree that it should be done by a combination of extending the leave and adding places in the play-schools. Finally it is noteworthy that no serious discussion has taken place about abandoning

⁶ Arnalds, Ásdís A., Guðný Björk Eydal and Ingólfur V. Gíslason (2013). Equal rights to paid parental leave and caring fathers- the case of Iceland. *Stjórnsmál & stjórnsýsla* [Icelandic Review of Politics and Administration], 9(2) (323-344)

⁷ Ingólfur Gíslason, Edda Sigurbjörg & Ingólfur V. Gíslason (2016): Gendered Solutions to the Care Gap Issue in Iceland. *NORA - Nordic Journal of Feminist and Gender Research*, DOI: 10.1080/08038740.2016.1241826

the division of the leave. No political party has raised the issue of “letting parents decide.”

3. Transferability aspects

General experience, confirmed in Iceland and all studies that I know of, suggest that in order to allow fathers to actively participate in the care of their babies a few basic rules apply: 1) There has to be a period that only the father can use. Transferable periods become periods for mothers. A complete individualisation would probably be the best way but then the total length has to be at least one year. 2) Solid institutional support is needed, good pre-schools have to be available once the parental leave is over. 3) Economic compensation has to be at such level that family finances are not put in jeopardy by the leave taking of the father. 80% of salary is probably the minimum with no or a very high ceiling on payments. 4) The system should be simple and easy to understand so that parents can easily see how the leave will affect them.

Seen from this perspective the Icelandic system is mainly lacking in two aspects. One is that the leave is too short and the other is the lack of pre-schools. The care-gap that results is the main drawback from the point of gender equality.

4. Conclusions and recommendations

Different societies may need different approaches to reach the goal of similar participation by fathers and mothers in the care-taking of their children. Iceland is blessed with having no gender-conservative political party but other countries may have to tackle opposition from parties or other social actors that firmly believe that mothers should stay at home with their children while fathers should be active in the labour market. Another opposition can come from those who claim that parental leave is for the family and each and every family should decide for itself how or if it is to be divided between parents. Both aspects have been a part of the debate in other Nordic countries, succeeding in abolishing the quota in Denmark and temporarily reducing the time for fathers in Norway.⁸

In all probability the more ingrained the idea of gender equality is in a country, the easier it will be to apply this ideal even to the care-taking of babies. Studies showing the benefits to the intellectual and emotional development of children of active participation by fathers should also help. It may also be necessary to introduce fathers' quotas step by step to calm those who seriously believe fathers to be incapable of taking care of babies. However, the risk in that approach is that a later individualization will be felt as if something is being taken away from women.

However, if cultural ideas are little or no hindrance then the four basic rules mentioned above should be applied to laws on parental leave.

⁸ Eydal, Guðný Björk, Ingólfur V. Gíslason, Tine Rostgaard, Berit Brandth, Ann-Zofie Duvander & Johanna Lammi-Taskula (2015). Trends in parental leave in the Nordic countries: has the forward march of gender equality halted? *Community, Work & Family*, 18:2, 167-181, DOI: 10.1080/13668803.2014.1002754