

Iceland¹

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For comparisons with other countries in this review – on demographic, economic, employment and gender equality indicators and on leave provision and early childhood education and care services - go to [cross-country comparisons](#) page on website. To contact authors of country notes, go to [membership-list of members](#) page on website.

1. Current leave and other employment-related policies to support parents

Note on terminology: the term *fæðingarorlof* (literally 'birth leave') is used in law to refer to paid Maternity, Paternity and Parental leave. Sometimes the term *feðraorlof* (paternity leave) is used even though the law does not make such distinction between parental leave of fathers and mothers.

Foreldraorlof refers to the unpaid leave included in 1d under the heading of 'Childcare leave', though it translates literally into 'Parental leave'. The type of leave referred to in 1c under the heading of 'Parental leave' is translated into English by the Icelandic Ministry of Welfare as 'parents' joint rights'.

a. Maternity leave (*fæðingarorlof*) (responsibility of the Ministry of Welfare)

Length of leave (before and after birth)

- Three months: one month may be taken before birth. It is obligatory to take two weeks of leave following the birth.

Payment and funding

- Eighty per cent of average total earnings for a twelve months long period ending six months before birth up to a ceiling of ISK350,000 (€2,180) per month. The minimum payment to a mother working shorter part-time hours, i.e. between 25 and 49 per cent of full-time hours, is ISK94,938 (€591) per month; and the minimum payment for a mother working 50-100 per cent of full time-hours is ISK131,578 (€820). For those working less than 25 per cent of full-time hours and those outside the labour market the amount is ISK57,415 (€358). Students (75-100 per cent of full-time studies) receive a flat-rate payment of ISK131,578 (€820). As a frame of reference, the minimum wage in Iceland is ISK193,000 (€1,201) per month.
- Funded by the Maternity/Paternity Leave Fund, which is financed from an insurance levy of 4.54 per cent of earnings; 1.08 per cent of this revenue goes to this Fund.

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Flexibility in use

- After the two weeks of obligatory leave, the mother can choose to take leave on a full time or part-time basis. It is also possible to take leave in one continuous period or as several blocks of time (i.e. leave can be 'uninterrupted' or 'interrupted'). This has to be negotiated with the employer. Parents can be on leave together, partly or the whole period.
- The total of nine months leave (covering Maternity, Paternity and joint rights) can be used until 24 months after the birth.

Eligibility (e.g. related to employment or family circumstances)

- All mothers that give birth to or adopt a child have individual non-transferable rights to 3 months paid parental leave, regardless of sexuality or marital status.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the mother

- See 1c.
- In cases where there is only one parent (the other parent has died, in cases of artificial insemination or a lone parent adopts or takes a child in permanent foster) the parent has right to 9 months paid parental leave.
- Maternity leave can be extended by two months if the mother suffers any complications during or after the birth.

b. Paternity leave (*fæðingarorlof*) (responsibility of the Ministry of Welfare)

Length of leave

- Three months.

Payment and funding

- Eighty per cent of average total earnings for a twelve months long period ending six months before birth up to a ceiling of ISK350,000 (€2,180) per month. For maximum and minimum payments see 1a.

Flexibility in use

- Same as for Maternity leave, except for the obligatory two weeks that mothers must take after birth.

Eligibility (e.g. related to employment or family circumstances)

- All biological or adoptive fathers have individual non-transferable rights to three months paid Parental leave, regardless of sexuality or marital status.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the mother

- See 1c.

- In cases where there is only one parent (the other parent has died or a lone parent adopts or takes a child in permanent foster) the parent has right to nine months paid Parental leave.

c. Parental leave (see note on terminology at the start of part 1) (responsibility of the Ministry of Welfare)

Length of leave (before and after birth)

- Three months after birth. These are in addition to the earmarked months (three for each parent) and can be divided between the parents as they like.

Payment and funding

- Each parent is entitled to economic compensation based on his or her labour market situation and previous earnings (please see 1a for further information).

Flexibility in use

- The total of nine months leave (covering Maternity, Paternity and joint rights) can be used until 24 months after the birth.
- Leave can be taken in one continuous period or as several blocks of time. The leave can be taken on part-time or full-time basis.

Regional or local variations in leave policy

- None.

Eligibility (e.g. related to employment or family circumstances)

- Each parent is entitled to leave based on his or her labour market situation.

Variation in leave due to child or family reasons (e.g. multiple or premature births; poor health or disability of child or mother; lone parent); or delegation of leave to person other than the parents

- In the case of multiple births, the length of leave increases by three sharable months for each additional birth; it can be extended by the same amount if the child suffers from a serious illness. Leave also increases if the child has to stay in hospital more than seven days after the birth by that amount of time up to four months.

d. Childcare leave or career breaks (*Foreldraorlof*)

- Each parent may take 13 weeks unpaid leave until the child is eight years old.

e. Other employment-related measures

Adoption leave and pay

- Regulations on paid parental leave apply if the child is younger than eight years when adopted.

Time off for the care of dependants

- The ILO convention (no. 156) on Workers with Family Responsibilities has been ratified.

Flexible working

- Employers are required by the Act on Equal Status and Equal Rights of Women and Men to make the necessary arrangements to enable men and women to balance family life and work, including the arrangement of work in a flexible manner and parents being able to take leave from work in case of serious or unusual family circumstances.

2. Relationship between leave policy and early childhood education and care policy

The maximum period of post-natal leave available in Iceland is 15 months, nine months of paid leave and two periods of 13 weeks of unpaid leave (1d). There are no legal rights to ECEC. However, most municipalities offer ECEC for children over the age of two and even younger. There is high attendance on all levels with 8 per cent of children under 12 months in kindergartens, 80 per cent of one and two-year-olds years and 96 per cent of three to five-year-olds years.

3. Changes in policy since April 2011 (including proposals currently under discussion)

The Icelandic parliament adopted changes to the law on Parental leave in December 2012. The process of restoring economic compensation to pre-crisis levels began with raising the ceiling on payment to ISK350,000 (€2,180) from 1 January 2013. According to the law, the total leave period will also be extended in steps from 9 to 12 months, at the same time changing from a 3+3+3 model to 5+5+2. In 2014 both parents will have 3.5 months of individual leave, with a further three months to be shared. In 2015 this will increase to 4+4+3, before reaching 5+5+2 in 2016 each parent.

A further change was that in cases where there is only one parent (in cases of artificial insemination or a lone parent adopts or takes a child in permanent foster) do have a right to use all 9 months, but previous law only gave such rights in cases when one parent died before the paid parental leave had be used.

4. Take-up of leave

a. Maternity leave

In 2009, 99 per cent of women applying for leave used the three months available. For more details see 3c.

b. Paternity leave

See 3c.

c. Parents' joint rights

In 2009, 96.4 per cent of fathers took a period of leave (paternity and/or parents' joint rights) for every 100 mothers taking some leave, and fathers took about a third of all days of leave taken by parents (an average of 99 days leave compared to 178 for mothers). Overall, 20.1 per cent of fathers took some of the parents' joint rights, and 19.5 per cent took less than their three months of designated Paternity leave; 93 per cent of mothers took some period of parents' joint rights.

In 2009, 34.4 per cent of men and 43.8 per cent of women took leave in one uninterrupted period; the remainder took their leave in two or more parts.

5. Research and publications on leave and other employment-related policies since April 2012

a. General overview

Research on leave and other employment-related policies is a much neglected area in Iceland though there has been some increase. Some studies include cross-national comparisons, which is reducing Iceland's previous knowledge gap in this area.

b. Selected publications since April 2012

Eydal, G.B. (2012) 'Fjölskyldur og velferð' ['Families and welfare'], in: G.B.Eydal and S. Ólafsson (eds.) *Þróun velferðarinnar 1988-2012*. Reykjavík: Félagsvísindastofnun

Gíslason, I.V. (2012) 'Leave policies development in Iceland', in: S. Parrukoski and J. Lammi-Taskula (eds.) *Parental Leave Policies and the Economic Crisis in the Nordic Countries*. Helsinki: National Institute for Health and Welfare.

c. Ongoing research

Paid parental leave, fathers and mothers: Reconciliation of work and family (2013-). Guðný Björk Eydal and Ingólfur V. Gíslason, University of Iceland. *Funded by the University of Iceland Research Fund and the Icelandic Equality Fund.*

The aim of the project is to investigate how parents of first-born children in 2009 have organized their work and the care of their child from birth until the age of three years. The parents are also asked about their labour market participation a year before birth. All parents of children born in Iceland in 2009 will receive a questionnaire and the survey is expected to take place in spring 2013. Such surveys have been conducted twice before; in 2001 it was conducted among parents of first-born children in 1997, and in 2007 among parents of first-born children born in 2003 (when the children were all three years or older). In the 2013 survey there are also questions regarding the influence of the economic crisis on how parents have organized work and care during the aftermath of the crises, since many parents in the group had made their plans regarding Parental leave before the cuts to the payments were made. Contact: Guðný Björk Eydal at ge@hi.is or Ingólfur V. Gíslason at ivg@hi.is.

Nordic Family Policies and Demographic Consequences 1990-2011. Guðný Björk Eydal, University of Iceland, with Trude Lappegard from Statistic Norway and Ólöf Garðarsdóttir, University of Iceland. *Funded by the Norwegian Research Council.*

A data set is being created from existing register data from Statistics Iceland about fertility, labour market position, education, family position and incomes; and from the Birth Leave

fund about the take-up of paid Parental leave by Icelandic parents. Contact: Guðný Björk Eydal at ge@hi.is.

Ingólfur V. Gíslason at the University of Iceland is undertaking a qualitative study among couples in which the male spouse has been unemployed for at least three months but the female spouse is actively employed. He is also participating in an international research project headed by Francine M. Deutsch studying couples who equally share housework and paid employment. Contact: Ingólfur V. Gíslason at ivg@hi.is