

More part-time work to mothers of young children in Finland? Controversies of policy and practice

Minna Salmi and Johanna Lammi-Taskula

Leave Policies & Research Seminar 2015 Trondheim



NATIONAL INSTITUTE FOR HEALTH AND WELFARE, FINLAND

Introduction

- Part-time work – especially for women – is often seen as a means to balance work and family life. However, in Finland women work part-time clearly less often than in other EU countries. Even mothers do not often work part-time for reasons related to child care, with the exception of mothers of the youngest children.
- The Finnish leave schemes offer families an opportunity to care for the child at home until the child turns three. This has led to a temporary drop in the employment rate of mothers when the youngest child is under three. This has worried both previous and current government.
- The leave system has also offered subsidised options to combine part-time leave and part-time work. Only few families have chosen these options. The previous government wanted to raise the employment rate of mothers by encouraging them to choose part-time work and part-time leave instead of a full-time take-up of Home care allowance.
- In the presentation we analyse the views of mothers of young children on part-time work. Are they interested in part-time work, and what inhibits them from choosing it?

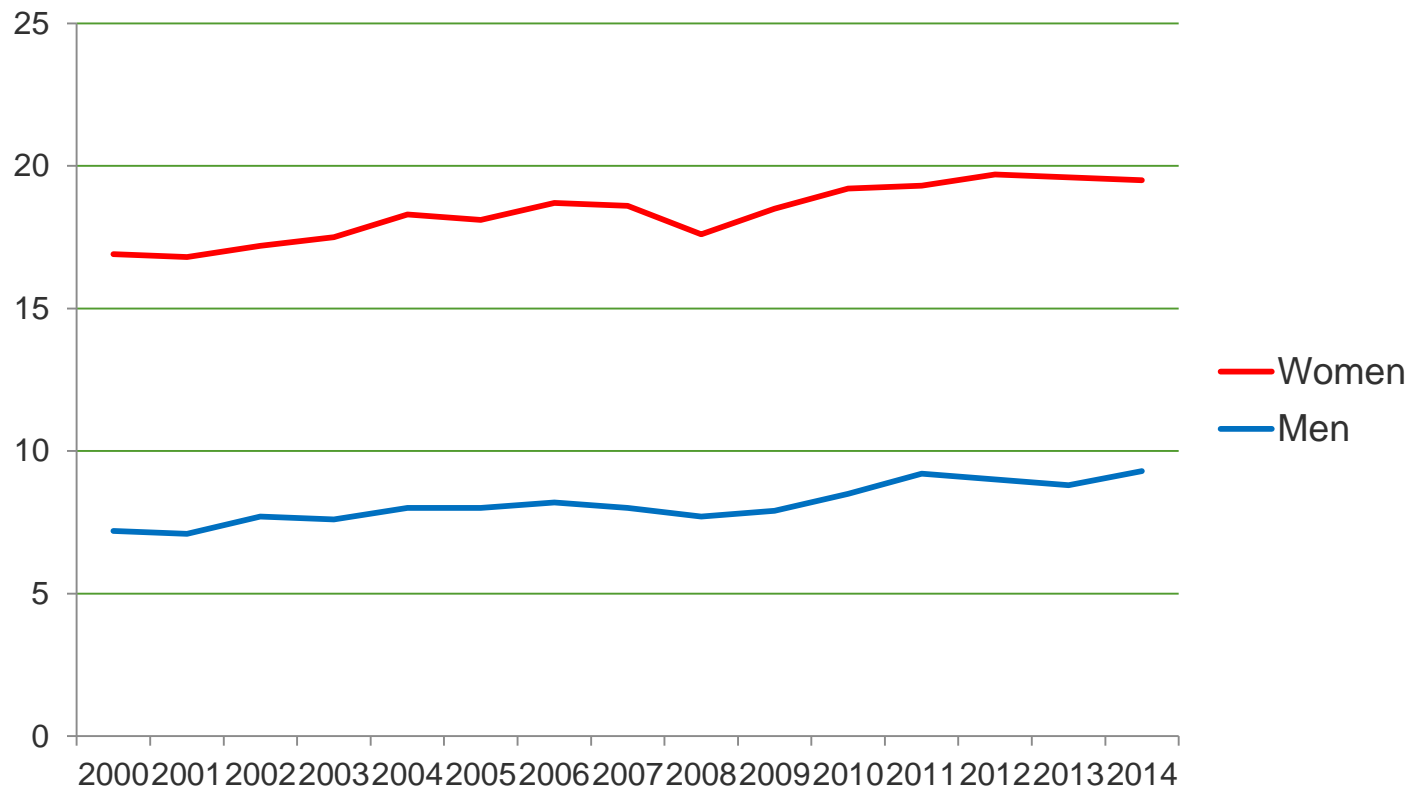
Contents of the presentation

- Setting
 - Part-time work in Finland
 - Policy goals and policy schemes to promote part-time work of mothers with young children
- Findings: mothers interest in part-time work and hinders to choose it
- Discussion: controversies of policy and practice

Women's part-time work 2013

- on average 20 % in Finland (Statistics Finland, Labour Force Study)
- 33 % in the EU–28 countries (Eurostat)
- 24 % in the OECD countries (OECD Employment Database)
- Reasons for low prevalence of part-time work in Finland:
 - women's high level of education: more than 80 % of 20–60 year old women have a degree, 32 % on tertiary level
 - women's long tradition of labour market participation
 - strong culture of women's full-time employment
 - part-time employment common only in few branches (retail, hotel & restaurant)
 - employers not keen to offer part-time work: can entail flexibility but also entails needs to re-organise work

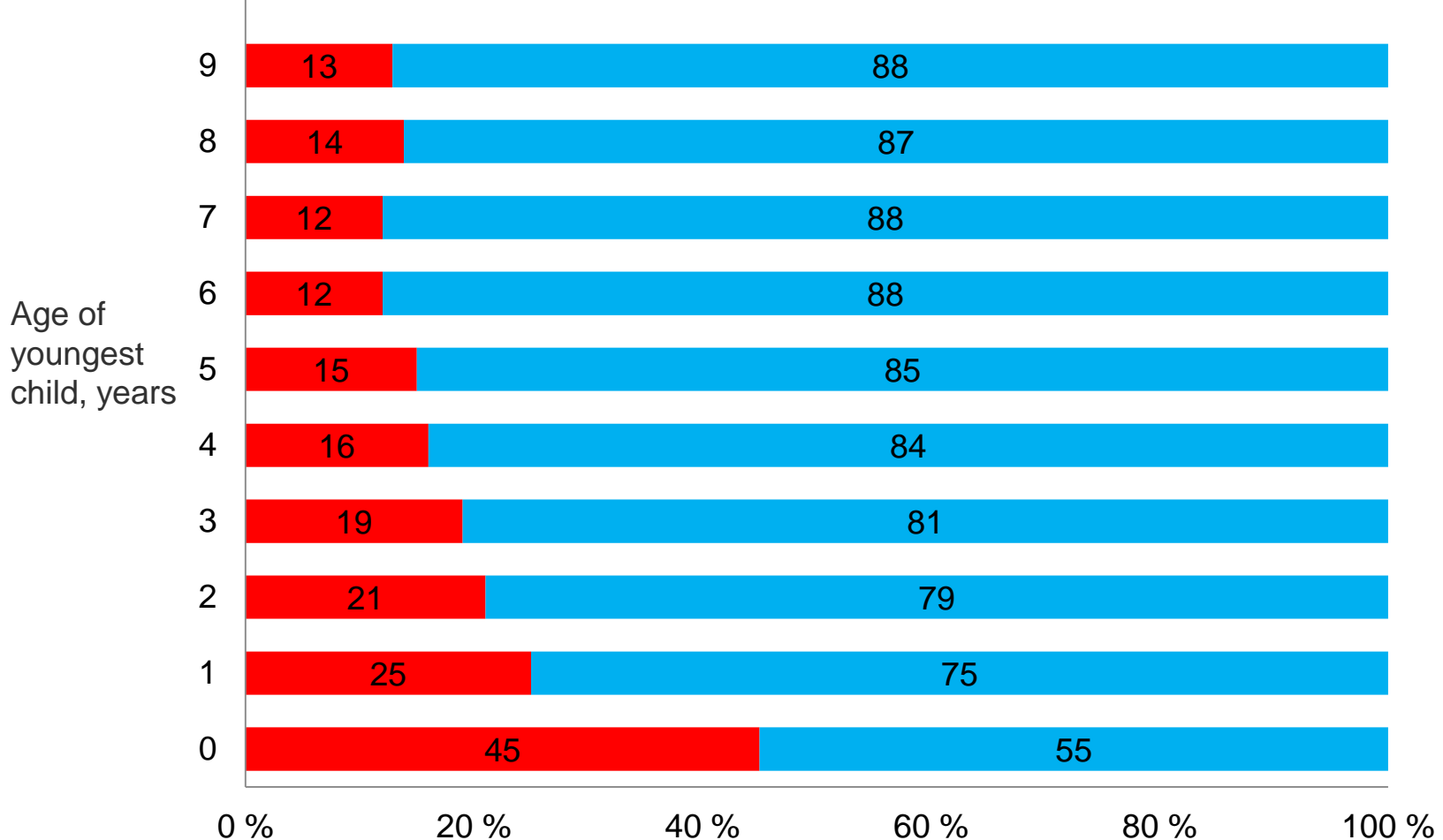
Part-time work in Finland 2000–2014, % (share of 15–74-year-old employees)



Source: Statistics Finland, Labour Force Study

Mothers in part-time and full-time work according to age of youngest child 2011*

Source: Heidi Melasniemi-Uutela, Statistics Finland, Labour Force Study (unpublished)

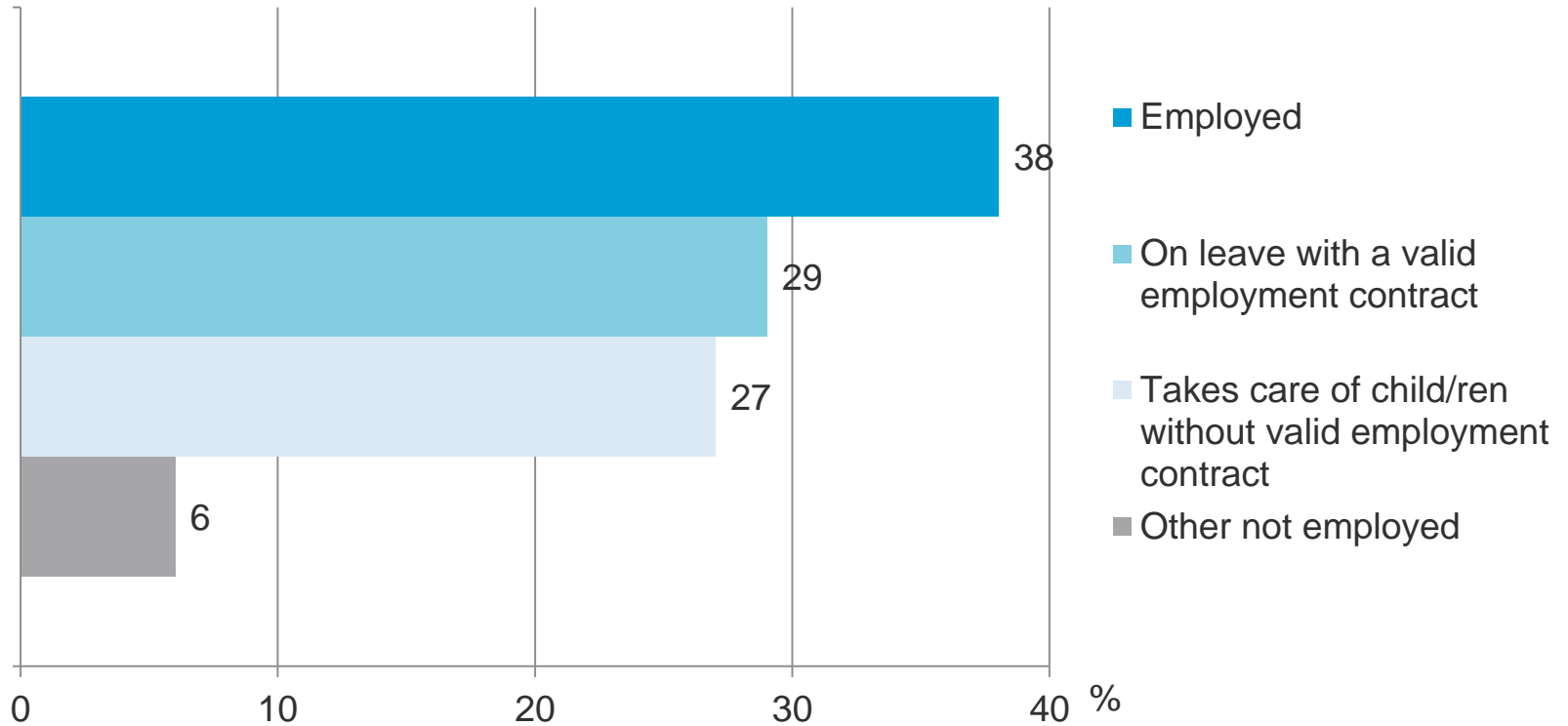


* Of fathers, 3 % work part-time
irrespective of the age of children.

Part-time work Full-time work

Few mothers of under-threes are employed

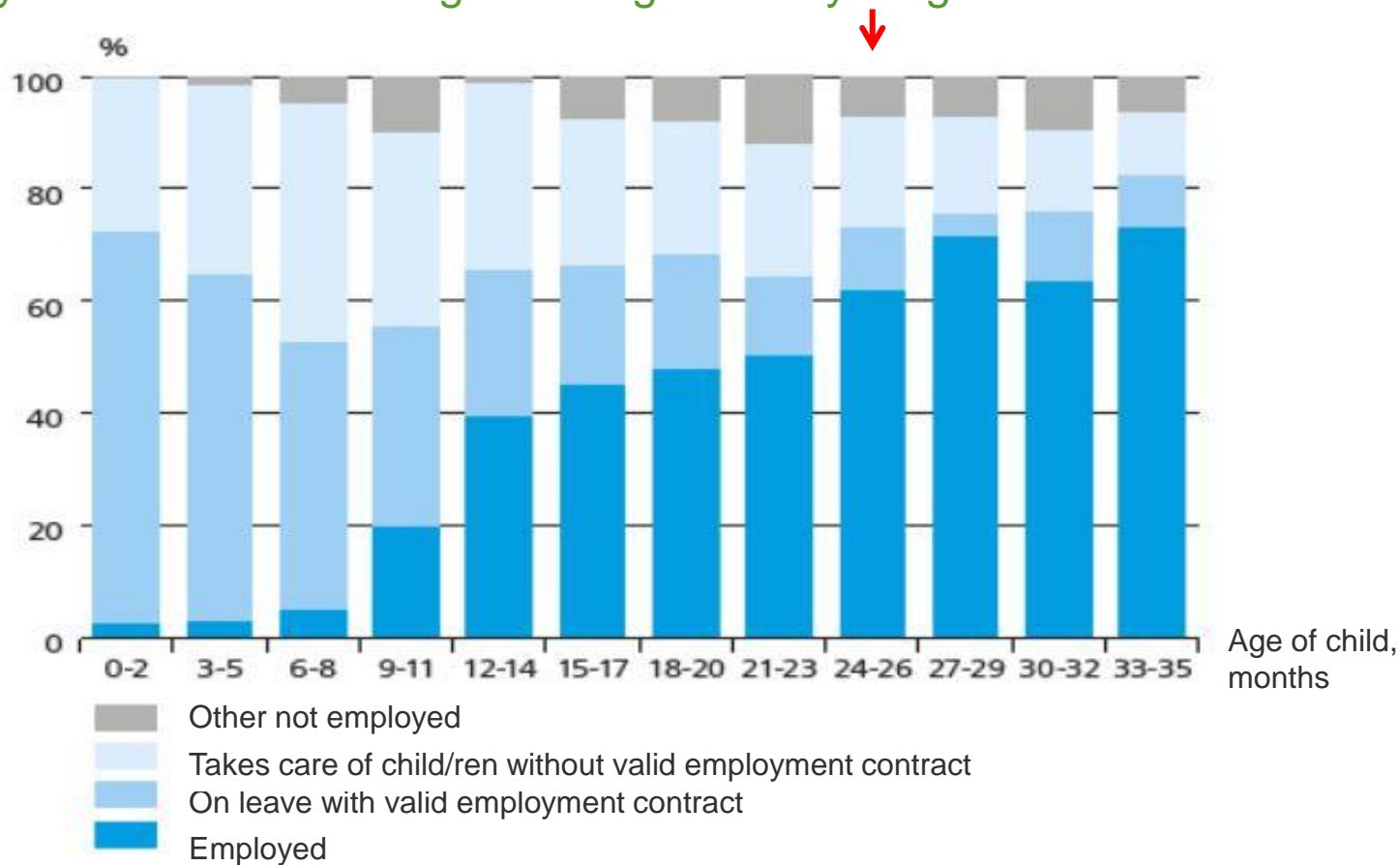
Main activity of mothers with a child under three 2012 (age 20–59):



Source: Heidi Melasniemi-Uutela, Statistics Finland, Labour Force Study (unpublished)

On a closer look: When youngest child turns two, majority of mothers are employed

Main activity of mothers according to the age of the youngest child in 2012:



Source: Anna Pärnänen, Statistics Finland, Labour Force Study

The speciality of the Finnish leave system: Home care allowance

- After Parental leave (the child is 9–11 months old): families can choose between the Home care allowance and day care services until the child turns three
- Home care allowance a low flat-rate allowance
 - € 342.53 a month + certain extras (max. 890 €; average 409 € 2013)
- Almost all families (88 %) take advantage of the Home care allowance
 - in the majority of families (56 %) at most until the child is 22–24 months old
 - seldom (16 %) for the whole available period
 - the parent staying at home almost always the mother (97%)

Read more: Finland. Country report. At www.leavenetwork.org

Part-time leave options

- Part-time Parental leave + part-time work since 2003
 - both parents have to work part-time and share the leave
 - <0.1 % of families takes Parental leave on a part-time basis
- Partial Home care leave and allowance since 1990
 - for parents with children under three and in first and second class of primary school
 - few families have arranged care of 9–36 months old children using the Partial care leave: annual coverage 3.6 % of under-three-year-olds
 - mostly taken as a continuation of a full-time Home care leave
 - taken by well-educated mothers with a valid employment contract
- Flexible care allowance since 2014 for parents of under-three-year-olds
 - more generous (€163/244 a month) than partial Home care allowance (€98)
 - statistics from 2014: more popular than partial Home care allowance (taken to care for 15 250 children, compared to 5 600 children in 2013); 90 % of recipients are mothers

Data

- The THL & Kela Family Leave Survey in November–December 2013
 - web-survey to mothers (N=3029) and fathers (N=2161) of children born 2011
 - response rate of mothers 44 % and fathers 32 %
 - respondents selected randomly from the Social Insurance Institute’s (Kela) register on receivers of parental benefits
 - the focus child’s age varied between 22 months and 35 months at the time of the survey; here called “two-year-olds” for short
- In this paper: analysis of mothers whose youngest child is the two-year-old (N=2234)
- Part of the THL Family Leave Study 2013–2016 funded by The Finnish Work Environment Fund

What did mothers of two-year-olds do in 2013?

THL & Kela Family Leave Survey

Type of activity, %	All	Youngest child born 2011	Mothers with a new baby*
Employed	46	59	10
Takes care of child/ren at home	40	24	84
Other	14	17	6
N	3027	2234	793

* Mothers with a baby born after the child born 2011 (26 % of all mothers)

Source: Närvi 2014

Analysis of mothers and part-time work

- Dependent variables
 - how many and who work part-time at present
 - how many and who plan to work part-time
 - how many and who do not consider working part-time
 - how many and who would like to work part-time but for different reasons do not do so
- Independent variables
 - mother's level of education
 - income level of the mother and the household
 - did the mother had a valid employment contract when starting her leave
 - employer sector
 - experienced job insecurity: threats of unemployment, redundancy and temporary lay-off
 - main activity: employed or at home taking care of the child
 - mother's age, number of children and marital status



Cross-tabulations and logistic regression analyses

NATIONAL INSTITUTE FOR HEALTH AND WELFARE, FINLAND

Findings, 1

Works part-time at present

- 22 % of all mothers when two-year-old youngest child
- 28 % of at-work mothers

Plans to work part-time

- 34 % of at-home mothers
- 6 % of at-work mothers

Has not considered working part-time

- 25 % of all mothers when two-year-old youngest child
- 26 % of at-work mothers
- 24 % of at-home mothers

Findings, 2

Would like to work part-time but...

- 33 % of all mothers, almost significantly more often if at work
- Hinders
 - family economy (19 %)
 - not suitable in own work (13 %) because
 - difficult to arrange (60 %)
 - same amount of work with less pay (60 %)
 - detrimental to future advancement and pay (31 %)

Findings, 3 Logistic regression analyses I, at-work mothers

- at-work mother *more* probably works part-time at present if she experiences job insecurity, and *less* probably if her employer is the local authority. Having had a valid employment contract before the child was born also decreases the probability of part-time work.
- none of the explanatory variables is significantly related to at-work mothers' plans to work part-time
- at-work mother does not even consider part-time work clearly *more* probably if she is a single parent, and almost significantly more probably if her income was low before the child was born. She is *less* likely to exclude part-time work as an option if she experiences insecurity in her present job.
- experienced insecurity increases the probability that a mother would like to work part-time but does not assess it possible for financial reasons
- academic education decreases the probability that a mother does not have financial possibilities to work part-time if she wants to do so
- at-work mother does not work part-time even if she would like to do so as she considers part-time work not suitable in her work more probably if she has an academic education and works in the municipal sector

Findings, 4 Logistic regression analyses II, at-home mothers

- at-home mothers plan to work part-time *less* probably if they have experiences of low income. Having three or more children almost significantly increases the probability to plan part-time work.
- low income at present or before the child was born doubles or triples the probability of the mother excluding part-time work as an option. At-home mother is less likely to exclude part-time work if she has experienced insecurity in her job before the child was born.
- none of the explanatory variables are significantly related to the probability that the mother is hindered from part-time work for financial reasons or because she thinks part-time work is not possible in her line of work.

Discussion

- Mothers' interest in part-time work at the same level as in 2006; the economic crisis has not increased interest in part-time work
- Job insecurity plays a role:
 - the mother more probably works part-time if she experiences job insecurity – part-time work not necessarily a choice
 - mothers less likely exclude part-time work as an option if they have experiences of insecurity in present (at-work mothers) or previous (at-home mothers) job
 - job insecurity increases the probability that at-home mother does not choose desired part-time work for financial reasons – may prolong full-time leave
- A valid employment contract gives opportunity to choose
 - a valid employment contract before the child decreases the probability of part-time work BUT
 - desired part-time work less probably not to be found if the mother had a valid employment contract – those who have a job waiting for them can, if they want to, return to it on a part-time basis
 - those who have to find a new job and would like to work part-time more often find that part-time work is not available – may prolong full-time leave

Discussion, 2

Greetings to employers and politicians

- Local authorities:
 - part-time work less probable among at-work mothers working in the municipal sector, and they more probably consider desired part-time work impossible in their work
 - local authorities do not seem to make it possible for their employees to work part-time when they would like to do so
 - At-home mothers the focus group of politicians
 - at-home mothers plan to work part-time less probably, or do not even consider it, if they have experiences of low income
 - at-home mothers often have a low level of education and a precarious situation in the labour market
 - if at-home mothers have experienced insecurity in their work before the child, they less probably exclude part-time work as an option.
- A more generous allowance may get at-home mothers into part-time work if they cannot find full-time work – do employers make it possible?

Discussion, 3

Is the flexible care allowance an option for mothers in a good labour market and financial position?

- level of education is significant to whether or not a mother has financial possibilities to work part-time if she would like to do so
- equal popularity of part-time work among at-work mothers and in the plans of at-home mothers irrespective of education level ← flexible care allowance not as selective as the previous partial care allowance?
- BUT: at-home mothers plan to work part-time less probably, or do not even consider it, if they have experiences of low income – financial situation still plays a role
- Employment rate, work input and flexible care allowance:
 - can encourage at-home mothers to part-time work
 - BUT: can decrease work input if mothers with a full-time job choose to work part-time due to the flexible care allowance
 - risk of a separate part-time labour market for women?