

Iceland¹

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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. The joint 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'. *Foreldraorlof* refers to the unpaid leave included in 1d under the heading of 'Childcare leave', though it translates literally into 'Parental leave'. It should be noted that the Icelandic law does not discriminate on the basis of gender or sexual orientations. The law speaks about two parents regardless of sex.

For comparisons with other countries in this review on leave provision and early childhood education and care services, please see the [cross-country tables](#) at the front of the review (also available individually on the Leave Network website). To contact authors of country notes, see the [members](#) page on the Leave Network website.

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

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

Length of leave (before and after birth)

- Three months to be taken within a 24 months' time span: one month may be taken before birth. It is obligatory to take two weeks of leave following the birth.

Payment and funding

- 80 per cent of average total earnings for a twelve months period ending six months before birth, up to a ceiling of ISK500,000[€4,257]² 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 ISK118,335 [€1007] per month; and the minimum payment for a mother working 50-100 per cent of full time-hours is ISK164,003[€1,396] per month. For those working less than 25 per cent of full-time hours and those outside the labour market the amount is ISK71.563[€609] per month. Students (75-100 per cent of full-time studies) receive a flat-rate payment of ISK164,003[€1,398] per month. As a frame of reference, the minimum wage in Iceland in 2016 is ISK260,000[€2,217] per month.

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² Conversion of currency undertaken on 21st June 2017, using: <http://www.xe.com/currencyconverter/convert>.

- Funded by the Maternity/Paternity Leave Fund, which is financed from an insurance levy of 5.40 per cent of wages paid by employers; 0.65 per cent of the revenue goes to this fund.
- Non-employed parents are not entitled to any pension credits while caring for their child. Employed parents taking leave maintain their pension entitlements (and in indeed all other entitlements) as if they were at work.

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.

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

- All biological or adoptive parents have individual non-transferable rights to three months paid Parental leave, regardless of sexuality or marital status. Parents that do not hold sole or shared custody of the child at birth need to have worked out the visiting rights with the custodial parent in order to be able to take paid Parental leave.

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

- In cases where there is only one parent (the other parent has died, in cases of artificial insemination or an individual adopts or takes a child in permanent foster), the parent has right to nine months paid Parental leave. In special cases, if one of the parents is in prison or hospital or is incapable to take care of the child due to health reasons it is possible to transfer the rights of that parent to the other parent.
- Maternity leave can be extended by two months if the mother suffers from a serious illness in connection with the birth.
- See also 1c.

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

Length of leave

- Three months to be taken within a 24 months' time span.

Payment and funding

- 80 per cent of average total earnings for a twelve months period ending six months before birth, up to a ceiling of ISK500.000[€4,257] per month. For maximum and minimum payments see 1a.

Flexibility in use

- Same as for Maternity leave, except that there is no obligatory period of two weeks' leave which fathers must take after birth.

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

- All biological or adoptive parents have individual non-transferable rights to three months paid Parental leave, regardless of sexuality or marital status. Parents that do not hold sole or shared custody of the child at birth need to have worked out the visiting rights with the custodial parent in order to be able to take paid Parental leave.

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 an individual adopts or takes a child in permanent foster), the parent has the right to nine months paid Parental leave. In special cases, if one of the parents is in prison or hospital or is incapable to take care of the child due health reasons it is possible to transfer the rights to the other parent.

c. Parental leave (responsibility of the Ministry of Welfare)³

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

- Eighty per cent of average total earnings for a twelve months period ending six months before birth, up to a ceiling of ISK 500.000[€4,257] per month. For maximum and minimum payments see 1a.

Flexibility in use

- The total of nine months leave (covering maternity, paternity and joint rights) can be used until 24 months after the birth.
- Parents 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.

Regional or local variations in leave policy

- None.

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

- Each parent is entitled to leave. See 1a and 1b for family circumstances

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

³ See above note on terminology in section 1.

- In the case of a miscarriage after 18 weeks, the parents are entitled to two sharable months and in the case of still birth after 22 weeks each parent is entitled to three months.
- 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.
- If the child is seriously ill or disabled in a way that demands more intensive parental care than is usual, the leave may be extended by up to seven months.
- In cases where there is only one parent (the other parent has died, in cases of artificial insemination or an individual adopts or takes a child in permanent foster), the parent has right to nine months paid Parental leave. In special cases, if one of the parents is in prison or hospital or is incapable to take care of the child due health reasons it is possible to transfer the rights to the other parent.

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

- Each parent may take four months of non-transferable 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

- There are no legal entitlements. The Equal Status Act instructs employers to do what they can to make it possible for employers to fulfil their responsibilities towards their families, but that is all. Most or all unions have negotiated a number of leave days when children are sick, but it is not thought that any union has negotiated a right to leave in the case of any other close relative being ill.

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.

Specific provision for (breast-)feeding

- None.

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

The maximum period of post-natal leave available in Iceland is 17 months, nine months of paid leave and two periods of four months of unpaid leave (see section 1d above). There is no legal entitlement to ECEC. However, most municipalities offer ECEC for children, but due

to some gap still existing between the end of Parental leave and admission to preschools many parents opt for private child minders or similar solutions to bridge this gap. Levels of attendance at formal services for children under and over three years are well above the average for OECD countries. For actual attendance levels, see 'relationship between leave and ECEC entitlements' on [cross-country comparisons](#) page.

3. Changes in policy since April 2016 (including proposals currently under discussion)

The Icelandic parliament adopted changes to the law on Parental leave in December 2012, with a staged increase from nine to 12 months with a 5+5+2 system. Following parliamentary elections in April 2013, a new coalition government came to power. This government deemed state finances to be in such a bad state that the extension of the leave period adopted in December 2012 could not be carried out. The law was therefore revoked.

In 2014 the government appointed two committees, on leave and ECEC. One was to examine the possibility of restoring economic compensation during Parental leave to the pre-2008 level and the eventual extension of the leave; while the other was to examine the possibility of increasing the capacity of preschools so that they can admit children once Parental leave is over. Both committees have now reported. The first reported in March 2016 and proposed the successive restoration of economic compensation (e.g. a ceiling of ISK600.000[€5,110]) and an extension to 12 months leave, with five for the mother, five for the father and two to be shared, to be fully implemented in 2022. The second reported in May 2016 and proposed that all children from 12 months old should be offered a place in preschools. Neither report was debated in the Icelandic parliament prior to the parliamentary elections that took place in October 2016 and led to the formation of a new centre-right coalition government. In its platform there is no mention of an extension of leave but the restoration of the economic compensation to pre-crash level is to be fulfilled.

4. Take-up of leave

a. Maternity leave

In 2013 (last year for which final figures are available), 99 per cent of women applying for leave used at least the three months available only to mothers (see section 4c).

b. Paternity leave

See 4c.

c. Parental leave (i.e. parents' joint rights)

In 2013, 91.4 per cent of fathers took a period of leave (paternity and/or parents' joint rights) and took on average of 87.9 days leave (compared to 182.3 for mothers). This is a substantial drop in the number of days used by fathers before the economic crisis, which were around 100. In all probability this is due to the severe cuts in economic compensation. Overall, 15 per cent of fathers took some of the parents' joint rights, and 35.5 per cent took less than their three months of designated Paternity leave; 96.1 per cent of mothers took some period of parents' joint rights while 0.8 per cent used less than their three months.

In 2013, 33 per cent of men and 34 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 2016

Please be aware that this is not intended to be a comprehensive list of all publications or research in this area for this country. If you are aware of a publication or research that could be listed in this section, please contact the country note author(s) so that they can include it for the following year.

a. General overview

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

b. Selected recent publications

Ingólfssdóttir, E.S. and Gíslason, I.V. (2016) 'Gendered Solutions to the Care Gap Issue in Iceland', *NORA - Nordic Journal of Feminist and Gender Research*.

The article is based on qualitative and quantitative research and throws light on the way Icelandic parents bridge the gap between the end of Parental leave and the time when children get a place in kindergartens. The solutions are obviously gendered as many more mothers than fathers adjust their participation in the labour market to bridge this gap. It is fairly obvious from the qualitative part of the study that even though parents adhere to the vision of gender equality pregnancy, birth and the first months after are bracketed. That period is somehow outside social realities, wholly and mainly for the mother and the child.

Eydal, G.B. and Gíslason, I.V. (2015) 'Iceland', in: C. L. Shehan (ed.) *The Encyclopaedia of Family Studies*. Hoboken, NJ: Wiley-Blackwell.

An overview of the development in family policy and praxis in Iceland in the 20th and 21st centuries.

Gíslason, I.V. (2016) 'Fathers on Leave Alone in Iceland: Normal Paternal Behaviour?', in M. O'Brien and K. Wall (eds.) *Comparative Perspectives on Work-Life Balance and Gender Equality*. Springer International Publishing, pp.147-162.

A qualitative study on how Icelandic fathers cope when, for one reason or another, they find themselves home with a child or children for a number of months. None of the father interviewed experienced what he did as something extraordinary, it was a job that needed to be done and they gladly shouldered it and for the most part enjoyed their experience. None had experienced any negativity; on the contrary, people supported them and saw this as perfectly normal paternal behaviour.

c. Ongoing research

Paid parental leave, fathers and mothers: Reconciliation of work and family (2013 - present). Guðný Björk Eydal, 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 through a survey how parents having a first child 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 received a questionnaire and the survey was carried out 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 were 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. Furthermore, qualitative interviews have been conducted among parents from Poland living in Iceland and parents who were born in Iceland in order to gain knowledge about their experience of the Icelandic paid Parental leave system. Contact: Guðný Björk Eydal at ge@hi.is or Ingólfur V. Gíslason at ivg@hi.is. Ásdís A. Arnalds (PhD student) at aaa1@hi.is

Nordic Family Policies and Demographic Consequences 1990-2011. 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: Ólöf Garðarsdóttir at olofgard@hi.is