## Finland<sup>1</sup>

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

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

a.Maternity leave (äitiysvapaa/moderskapsledighet <sup>2</sup>) (responsibility of the Ministry of Social Affairs and Health and the Ministry of Labour)

Length of leave (before and after birth)

 105 working days (for all types of leave, one calendar week consists of six working days): between 30 and 50 days must be taken before the birth. It is obligatory to take two weeks before and two weeks after birth.

#### Payment and funding

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• Earnings-related benefit. During the first 56 days of leave, the payment is equal to 90 per cent of the individual's annual earnings between €9,685 and €60,225, with a lower percentage (32.5 per cent) for earnings above this level. Mothers not employed and those whose annual earnings are less than €9,685 get a minimum flat-rate allowance of €29.05 per working day (€726 per month).

Finland is a bilingual country with a Swedish-speaking minority.

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 Names of the different types of leave are given in Finnish and Swedish.

After this initial period of leave, benefit is paid at 70 per cent of annual earnings between €12,452 and €39,144, with a lower percentage for earnings above this level (40 per cent for annual earnings up to €60,225, and 25 per cent above this). Those whose annual earnings are less than €12,452 before the birth get the minimum flat-rate allowance. In 2020, 15 per cent of mothers received the minimum allowance, increasing two percentage points from 2019.

- Mothers are permitted to work while on Maternity leave (except for the obligatory two weeks before and after the birth) but receive only the minimum flat-rate allowance for the days they work.
   Working on Sundays does not affect the benefit.
- Earnings-related benefits are funded by the sickness insurance scheme, financed by contributions from employers (in 2021, 48 per cent of the total cost), contributions from employees (in 2021, 40 per cent of the total cost), and the remaining 12 per cent is funded by the state. In 2021, employers pay 1.52 per cent of their total salary bill and employees pay 1.36 per cent of their taxable earnings higher than €14,816: these percentages are subject to annual change in the state budget. The minimum flat-rate allowances and 5 per cent of the benefit expenditure are funded from state taxation.
- Maternity leave accumulates the beneficiary's pension based on 121 per cent of the yearly earnings from which the leave benefit is calculated (2021). These earnings accumulate the pension at 1.5 per cent per year. For an unemployed beneficiary or a student, the pension is accumulated as if the earnings were €767.09 a month.

#### Flexibility in use

• None.

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

- Entitlements are based on residence: i.e. paid to all women who have lived in Finland, or who have been insured in another EU or EEA Member State, Switzerland or Israel, for at least 180 days directly before the date on which their baby is due.
- The basic formula is that a person entitled to family benefits is also entitled to leave.
- A woman is entitled to maternity benefit after her pregnancy has lasted 154 days.
- Benefits are based on annual income in the preceding 12 months regardless of length of service.

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 the case of premature birth, if the pregnancy has lasted at least 154 days and ends earlier than 30 days before the due date, the mother is entitled to benefit and leave from the next day for the following 105 days.
- Leave can be delegated to the father if the mother, due to illness, is unable to care for the child – or to another person responsible for the care of the child, if the mother dies and the father does not care for the child.

Additional note (e.g. frequent supplement of state benefit by collective agreements; employer exclusions or right to postpone)

• A briefing made for the Committee on Parental Leave shows that in 2010, 96 per cent of employees in the private sector were covered by collective agreements guaranteeing full pay for part of the Maternity leave; in most cases (66 per cent) the full pay was for three months. In public sector collective agreements, coverage is also high. During periods of full pay, the daily benefit is paid to the employer. However, as shown in the 2020 Labour Force Survey, due to the high prevalence of fixed-term contracts for women of child-bearing age, a high proportion of women giving birth do not have an effective employment contract; so only 42 per cent of mothers on Maternity leave receive pay from the employer.

# b.Paternity leave (isyysvapaa/faderskapsledighet) (responsibility of the Ministry of Social Affairs and Health and the Ministry of Labour)

Length of leave

• 54 working days (nine weeks), of which the father can take one to 18 days while the mother is on Maternity or Parental leave.

Payment (applies for the whole period of Paternity leave) and funding

• Earnings-related benefit. Benefit is paid at 70 per cent of the individual's annual earnings between €12,452 and €39,144, with a lower percentage for earnings above this level (40 per cent up to €60,225 and 25 per cent above this). Those whose annual earnings are less than €12,452 before the birth get the minimum flat-rate allowance. In 2020, 3.8 per cent of fathers received the minimum allowance.

- Fathers are not permitted to work while on Paternity leave.
   Working on Sundays is permitted as the benefit is paid only for weekdays and Saturdays.
- Funding is the same as for Maternity leave.
- Pension is the same as for Maternity leave.

#### Flexibility in use

- One to 18 days can be taken in up to four blocks of time while the mother is on Maternity or Parental leave. Subsequently, all days or the remaining days can be taken at most in two blocks after Parental leave. The 54 days can be taken up until the child turns two years of age; and the child can be in day care between Parental leave/Home-care leave and Paternity leave (if taken up later).
- Paternity leave is child-specific, so that the birth of the next child before the leave period has elapsed for the previous child does not cancel the father's unused leave entitlement: he can take 24 leave days based on the previous child during the Maternity or Parental leave period for the next child, but only in one segment.

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

- Entitlement is based on residence, just as it is for Maternity leave.
- The father must live with the child's mother to take leave. The father is entitled to Paternity benefit even if the parents do not live together, provided that the father is responsible for childcare.
- In same-sex couples, the female partner who is married, in a registered partnership, or co-habiting with the biological mother is entitled to Paternity benefit.

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 father

- Fathers with multiple children born or adopted at the same time receive an additional 18 days (three weeks) of Paternity benefit for each additional child, with the maximum being 105 days (17.5 weeks). This extension of Paternity leave can be taken while the mother is on Maternity or Parental leave, or after the Parental leave period.
- Single mothers are entitled to Paternity benefit days added on to their Parental leave (see section 1c) Parental leave).

Additional note (e.g. frequent supplement of state benefit by collective agreements; employer exclusions or right to postpone)

 As a result of collective agreements, approximately 80 per cent of all fathers with an employment contract in the private sector, as well as all fathers employed by the state, receive full pay during at least the first six days of their Paternity leave.

# c.Parental leave (vanhempainvapaa/föräldraledighet) (responsibility of the Ministry of Social Affairs and Health and the Ministry of Labour)

#### Length of leave

• 158 working days, to be taken after the end of Maternity leave. This is a family entitlement, and parents can share the leave between themselves as they choose.

#### Payment and funding

- Benefit is paid at 70 per cent of the individual's annual earnings between €12,452 and €39,144, with a lower percentage for earnings above this level (40 per cent up to €60,225 and 25 per cent above this). Those whose annual earnings are less than €12,452 before the birth get the minimum flat-rate allowance.
- Parents are permitted to work while on Parental leave, but they
  receive only the minimum flat-rate allowance for the days they
  work. Working on Sundays does not affect the benefit.
- Funding is the same as for Maternity leave.
- Pension is the same as for Maternity leave.

#### Flexibility in use

- Each parent can take leave in two parts of at least 12 days' duration.
- Leave can be taken part-time, at 40 to 60 per cent of full-time hours and for at least two months at a time, but only if both parents take part-time leave and take care of the child themselves.
   Benefit payment is half of what the benefit is for full-time leave.
   To get the partial benefit, the parents must make an agreement with their employer regarding part-time work.
- Parents cannot be on leave at the same time.

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

 Entitlement is based on residence, just as it is for Maternity and Paternity leave. The father is entitled to Parental leave even if the

- mother does not fulfil the residence criteria; in this case the father's Parental leave period starts 75 days after the child's birth.
- The father must live with the child's mother in order to take leave. The father is entitled to Parental benefit even if the parents do not live together, provided that the father is responsible for childcare.
- The Parental benefit is paid provided the mother has had a checkup by a doctor or a qualified nurse employed in the public health care system five to 12 weeks after the birth.
- In same-sex couples, the female partner who is married, in a registered partnership, or co-habiting with the biological mother is entitled to Parental benefit.

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 the case of multiple births, the length of leave is extended by 60 days for each additional child. Either the father or the mother can use the extended leave, partly or wholly during the Maternity leave or the Parental leave period.
- If, due to premature birth, the Maternity leave has started earlier than 30 working days before the expected date of delivery, Parental leave is extended by as many working days.
- If the mother dies and the father does not care for the child, the Parental benefit can be paid to another person responsible for the care of the child.
- Entitlement to the Parental benefit ends if a new entitlement to Parental benefit starts due to a subsequent child.
- The Parental benefit period for single mothers (paternity of the child is not confirmed and the mother does not have a spouse who is entitled to Paternity benefit, or the mother is a sole adoptive parent) is lengthened with 54 working days (nine weeks).

#### d. Childcare leave or career breaks

• Childcare leave, referred to as 'Home-care leave' (hoitovapaa/vårdledighet) can be taken from the end of Parental leave until a child's third birthday. This leave can be taken in two parts, the minimum length being one month. While taking leave, a parent can receive Home-care allowance (kotihoidon tuki/hemvårdsstöd) consisting of a basic payment of €342.95 per month, with an additional €102,67 for every other child under three years of age and €65.97 for every other pre-school child over three years of age, plus a means-tested supplement (up to €183.53 per month). This Home-care allowance can be paid to any parent – whether or not they are on Home-care leave from their job – as long as their child is not in a childcare service provided or funded by the local

- authority. The average Home-care allowance per family in 2020 was €406 per month. Home-care allowance is financed from municipal taxation with a state subsidy of 25 per cent of the costs.
- In 2020, 21 per cent of municipalities paid a municipal supplement to the Home-care allowance, most commonly in big municipalities. These supplements averaged €171 per month per child, with a range from €40 to €350. ³ The municipalities usually impose specific conditions on paying the supplement, most frequently that all children in the family below school age are taken care of at home. Paying a municipal supplement has become less common: in 2014, 30 per cent of municipalities offered it.
- If a child under school age is taken care of in a private day care centre, by a private nanny, or another person employed by the family and accepted by the local authority, the family is entitled to (yksityisen Private care allowance hoidon day tuki/privatvårdsstöd), which is €174.59 per month per child. An addition of up to €146.82 per month per child can be paid, based on the size and income of the family. In 2020, 36 per cent of municipalities paid a municipal supplement to the private day care allowance, with a range from €84 to €783 in full-time care. The local authorities usually impose specific conditions on paying the supplement, most frequently related to the hours of private day care. In 2020, 36 per cent of municipalities offered a service voucher for private day care services, with a range from €421 to €1,210: offering vouchers has grown more popular among the municipalities during the past few years.<sup>3</sup>
- During Home-care leave, pension is accumulated as if the earnings were €767.09 per month. These earnings accumulate the pension at a rate of 1.5 per cent per year.

#### e. Other employment-related measures

Adoption leave and pay

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 Adoptive parents of a child (under 18 years of age) are eligible for Parental leave of 233 working days starting from the day the child comes to their care, provided that the parent presents a certificate given by the adoption agency.

- Adoptive parents are entitled to Parental benefit for adoptive parents if they have lived in Finland for at least 180 days before receiving the child.
- Adoptive parents in both same- and opposite-sex couples are entitled to Parental benefit for adoptive parents.

<sup>&</sup>lt;sup>3</sup> Lahtinen, J. and Svartsjö, M. (2020) *Kotihoidon tuen ja yksityisen hoidon kuntalisät ja palveluseteli [Municipal supplements of homecare allowance and private care and service vouchers]*. Helsinki: Kuntaliitto.

- Adoptive fathers are eligible for the same Paternity leave as fathers having biological children. In same-sex couples, entitlement to Paternity benefit can be given to either of the adoptive parents with their agreement.
- A mother who adopts and takes care of a child on her own is entitled to Paternity benefit the same way as single mothers having biological children.
- Adoptive parents can be in full-time employment or studies during Parental leave – in which case, they receive minimum parental benefit.
- Adoptive parents are entitled to Home-care allowance for a period which ends two years after the Parental leave period started, even if the child is older than three years of age.
- A parent who adopts a child younger than 12 months of age and is married to, and lives with, the parent of the child (intra-family adoption) is entitled to the same Paternity and Parental benefit as parents having biological children. In cases where Paternity benefit has been granted to the adoptive parent's spouse or the other biological parent of the child, the adoptive parent is not entitled to Paternity benefit.

#### Time off for the care of dependants

Parents of children under ten years of age can take up to four days' leave when a child falls ill (temporary childcare leave, tilapäinen hoitovapaa/tillfällig vårdledighet). There are no limits on how often parents can take leave for this purpose during the course of a year. Payment is dependent on collective agreements, but is often at full earnings for three or four days at a time. A parent with joint custody who does not live with a child is entitled to the leave.

#### Leave of absence to care for a family member or other close person

- If an employee needs to be absent from work in order to care for a family member or other close person, the employer must try to organise work so that the employee can be absent for a fixed time period.
- The employer and the employee agree on the length of leave and other arrangements. Return to work must be agreed upon between the employer and the employee prior to the leave commencing. If an agreement cannot be reached, the employee can, with reasonable grounds, interrupt the leave by announcing this to the employer one month before their return at the latest. The employee must account for the grounds of the absence and for interrupting it, if the employer requests it.
- No benefit or wage is paid during this leave.

#### Special care allowance

- An allowance for a parent who is not able to work on the following grounds:
  - because they must engage in the hospital care of a child under the age of seven, a severely ill child between the ages of seven and 15, or in the rehabilitation of a child under the age of 16.
  - because they provide home care for a severely ill child under the age of 16, when home care is in connection to hospital care.
  - because they must be available during the school or day care assessment of a severely ill child.
- Both biological and adoptive parents are entitled to the allowance.
  It can also be granted to employees who care for the child of their
  spouse. During hospital care or rehabilitation, the allowance can
  be paid to both parents if the child's physician considers the
  participation of both parents to be necessary. The allowance is not
  paid to parents who receive parental, sickness, or unemployment
  benefit.
- The payment is equal to 70 per cent of annual earnings between €12,452 and €39,144, with a lower percentage (40 per cent for annual earnings up to €60,225, and 25 per cent above this) for earnings above this level. Employees whose annual earnings are less than €12,452 get a minimum flat-rate allowance of €29.05 per working day (€726 per month). The allowance is paid for at maximum for 60 working days for hospital care or rehabilitation of the same illness and for 60 working days for home care.
- Receiving the allowance does not entitle the beneficiary to a leave of absence from work.

#### Flexible working

- Parents can work reduced working hours (Partial Childcare leave, osittainen hoitovapaa/partiell vårdledighet) from the end of Parental leave until the end of the child's second year at school. The employee is entitled to Partial Childcare leave if they have been working for the same employer for at least six months during the past 12 months. The employee should negotiate the reduction in hours with the employer, and the employer can only refuse if the reduced working hours would lead to serious disadvantages for the organisation in which case, working hours must be a maximum of 30 hours per week. Both parents can take Partial Childcare leave during the same period, but cannot take leave during the same hours of the day.
- Parents of children under three years of age are entitled to Flexible Care allowance (joustava hoitoraha/flexibel vårdpenning) if, after taking Parental leave, they work less than 80 per cent of the

normal full-time hours in their respective field. The Flexible Care allowance is €162.98 per month if the weekly working hours are no more than 30 hours, or 80 per cent of the normal full-time hours, and €244.47 per month if the weekly working hours are no more than 22.5 hours, or 60 per cent of the normal full-time hours. Flexible Care allowance can be paid to both parents at the same time if they take care of the child during different hours of the day or different days of the week. Parents can receive Flexible Care allowance even if the child attends municipal ECEC. Flexible Care allowance is paid for only one child, even if the family has more than one child entitled to the allowance. The allowance is not paid for a leave period shorter than one month.

• Employees taking Partial Childcare leave during the child's first and second year at school are entitled to Partial Home-care allowance (osittainen hoitoraha) of €98.21 per month. Partial Home-care allowance is paid for only one child, even if the family has more than one child entitled to the allowance. The allowance is not paid for a leave period shorter than one month.

#### Specific provision for (breast) feeding

 None. Breastfeeding leave is not considered necessary, as Maternity leave and Parental leave last until the child is nine to ten months old.

#### Compensation for employers for indirect leave costs

• Since 1 April 2017 employers have been able to claim a compensation for indirect leave costs such as finding and training a replacement for a female employee taking Maternity leave. The compensation is available to employers who pay full-time employees a salary during at least one month of their Maternity leave. A prerequisite for family leave compensation is that the employee must have at least three months' service before the Maternity leave or, in the case of an adoptive mother, before the Parental leave, and that the employment must last at least one year. The amount of the lump-sum compensation is €2,500. In 2020, the Social Insurance Institution (Kela) paid compensation to over 4,100 employers for almost 19,400 mothers; this is less than half of the mothers taking Maternity leave in 2020.

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

The maximum period of paid post-natal leave is 36 months (including low paid Home-care leave). The maximum period of highly paid leave is 11.5 months after birth. As there is an entitlement to Early Childhood

Education and Care (ECEC) from the end of Parental leave, there is no gap between the end of well-paid leave and an ECEC entitlement.

Levels of attendance at formal services for children under three years of age are about the average for the countries included in this review and for OECD countries; however, they are below average for children over three years. For actual attendance levels, see 'relationship between leave and ECEC entitlements' on the <u>cross-country comparisons</u> page.

## **3. Changes in policy since April 2020** (including proposals currently under discussion)

2020. Since January the calculation of earnings-related Maternity/Parental leave benefits is based on annual income, where the reference period is 12 calendar months prior to the month that precedes the start of the entitlement to benefit. Previously the benefit was calculated on the basis of income confirmed in taxation, which meant that the lag between childbirth and the reference year was one to two years. The reform was an improvement in that now all increases in income are taken into account when previously a mother/father could request the benefit to be calculated on the preceding income only if it was at least 20 per cent higher than income confirmed in taxation. The reform benefited particularly those with stable employment whereas those who face periods of unemployment during the 12 months' reference period may receive smaller benefit than before the reform<sup>4</sup>.

During the period 2016 to 2020 the entitlement to ECEC was restricted to 20 hours per week unless both parents worked or studied full time. This restriction was abolished in August 2020, after which full-day ECEC continued to be provided to all children/families irrespective of parents' employment status.

The government (a coalition of Social Democrats, Centre Party, the Greens, the Left Alliance and the Swedish People's Party), presented their legislative proposal for the Parental leave reform in February 2021. The main features of the proposal are the same as in the reform plan

<sup>&</sup>lt;sup>4</sup> Räsänen, T., Miettinen, A., Saarikallio-Torp, M. (2020) 'Vanhempainpäivärahan määrä lasketaan uudella tavalla – muutos heikentää lomautettujen ja työttömien tilannetta' ['The reform in calculation of parental leave benefits worsens the situation of unemployed persons'], *Kelan tutkimusblogi* [Social Insurance Institution, Research Blog] 22.5.2020.

presented in 2020 but it also includes some alterations as well as specifications to flexible use of leave.

In the proposed scheme, a gender neutral Parental benefit/leave will replace the present Maternity, Paternity and Parental benefits/leaves. The new Parental leave is divided symmetrically between the parents such that each parent gets 6.4 months of leave (160 working days, six days = a week). Of these each parent can transfer 2.5 months (63 working days) to the other parent. Thus, the non-transferable quota for each parent is 3.9 months (97 working days). On top of this, the pregnant parent is entitled to 40 Pregnancy leave days before the birth of the child. All in all, the number of leave days with an earnings-based benefit would be 360, or 14.4 months, which is 1.7 months (43 working days) longer than the current leave. The number of leave days available after the child is born would be 320, or 12.8 months (cf. 11.5 months at present). Despite the gender neutral terminology, to improve gender equality the extra 43 days are added to the father's non-transferable quota which increases from the present 2.2 months to 3.9 months. In case the father only uses his non-transferable quota days, or does not use any leave, the mother still has nearly the same number of Parental leave days after the child is born as before the reform (233): she can use her own 160 quota days plus the 63 days the father transfers to her, and she also always gets the 40 Pregnancy leave days even if the baby is born before the due date. Fathers are encouraged to use their Parental leave days with a higher benefit (90 per cent of previous earnings) for the first 16 leave days also for fathers whereas in the present scheme a higher benefit is paid only to mothers during the first 56 days of Maternity leave. In the reform mothers receive the higher benefit for the first 16 Parental leave days as well as for the 40 Pregnancy leave days, so their leave days with a higher benefit remain the same as before.

Flexibility of benefit use is improved in several ways. Both parents can use Parental benefit days until the child turns two. Transferable quota days can be used also by the parent's spouse who is not the biological parent of the child. Flexibility of benefit use is also improved with a possibility to use the benefit days in as many and as long blocks as the parent wishes. However, for parents with an employment contract the number of leave blocks is restricted to four and the minimum length of a block is 12 days, but the employee and the employer can also agree on more and shorter blocks. Parental benefit days can also be taken on a part-time basis but even these options are more limited for parents with an employment contract. The Homecare allowance remains intact but it can be paid already after 160 Parental benefit days have been used; this is to enable alternating use of Home-care allowance and Parental leave in case one parent (in practice the father) uses his Parental leave days later and not right after the other parent (the mother) has used her quota days. The proposal also includes some alterations to ECEC regulations. The child's entitlement to ECEC would

start when s/he turns nine months. If a parent takes part of her/his Parental leave days after the child has started in ECEC, the child is entitled to return to the same daycare centre if the leave is not longer than 13 weeks.

The costs of the new scheme are estimated to be 78 million euros. This would mean a nine per cent rise to the leave costs in 2019 (886 million euros). However, due to the decreasing number of children born annually, the leave costs have dropped 15 per cent from 2015 to 2019. Also, as today 25 per cent of fathers do not use any leave, and only six per cent of fathers use leave beyond the quota days, the rise of the costs would take place gradually during a long period of time.

Generally, the Parental leave reform proposal was greeted positively as a step in the right direction but the employers' central organisation wants to abolish the possibility to transfer quota days between parents and shorten the Home-care allowance period to last only until the child is 18 months old. The employees' central organisations greeted positively the improved gender equality and equity between diverse families as well as improved flexibility but considered employees' possibilities for flexible leave use and part-time leave options too limited. They also criticized the proposal for not including changes in the Home-care allowance scheme. The proposal was sent to a comment round where altogether 72 organisations gave their comments. Several commentators, especially those representing entrepreneurs and employers, doubted that the proposal would increase fathers' take-up of leave as a parent can transfer a considerable share of his/her leave days to the other parent; this is considered to maintain the present gendered division of leave take-up. Some organisations suggested that this problem should be solved by a clearly longer leave period with longer non-transferable quotas. A more ambitious reform was suggested especially by organisations working with women's and child policy Several organisations also demanded modifications of regulations related to the entitlements for diverse families such that their position is not weakened and all parents have equal opportunities to take Parental leave. The Ombudsman for Equality pointed out that the proposal requires further preparation and needs to be more thoroughly evaluated as to the effects on gender equality and the position of diverse families. The Ombudsman also judged it to be very unfortunate that the relationship between regulations in the Health Insurance Act and in the Act on Employment Contracts is not evaluated in the proposal. This problem was also raised by many organisations, especially related to flexibility of leave take-up and how daily part-time work would affect leave benefits. After the comment round the government decided to make some alterations to the legislative proposal related to regulations on the entitlements for diverse families and on unequal effects of daily part-time work on leave benefits. The proposal

will be presented to the parliament in September 2021, and the new leave scheme is intended to come into effect in August 2022.

## Policy responses to the Covid-19 pandemic to end April 2021

#### Childcare and schools

- ECEC services have been available for all children who need them.
  The government recommended, however, that children regardless of age stay at home where possible for a period of two months between 18 March to 13 May 2020. About three out of four children did so while many parents were working from home. 'Key workers' were not defined in relation to ECEC.
- The remaining small ECEC groups were combined and personnel were temporarily laid off or transferred to other tasks. There was no obligation for providing education for the children who stayed at home, but many municipalities have been in contact with the families and provided materials for children. Some have also organized outdoor activities so parents can have some time for their distance work.
- Comprehensive schools (for age groups 7-16 years) and secondary schools (age group 17+) were partly closed for a period of two months between 18 March to 13 May 2020, and most children (of all ages) stayed at home. During the school closure, schools provided distance education. Children on classes 1-3 (age 7 to 9) and children with special needs were allowed to attend school, but it was recommended that they stay at home if possible. 'Key workers' were defined in a detailed list, including e.g. health care personnel, teachers, police, traffic personnel, food production and distribution, and public sector management. The list was however not applied in relation to school closure.
- During the autumn term 2021, comprehensive and secondary school students (age group 13-18) have been temporarily in distance education according to the local COVID situation.

#### Parental leave

There were no modifications to Parental leave.

#### Other measures for parents and other carers

 A special, temporary childcare benefit was introduced for parents to cover the loss of earnings if they took an unpaid leave from work in order to take care of their children at home during the state of emergency. The benefit was paid to parents who took care of a child at home who normally would be in day care/ECEC, preschool or school (grades 1–3, or children with special needs). Parents, or spouses living in the same household, were eligible, if they had an effective employment contract in Finland (self-employed persons or entrepreneurs were not eligible). The benefit level was the same as the minimum parental benefit (€723.50 per month). The benefit was paid between 16 March to 13 May 2020.

### 4. Uptake of leave

#### a. Maternity leave

Almost all mothers use the leave. Two weeks of leave before the birth and two weeks after the birth are obligatory. Very few mothers entitled to Maternity leave work during the leave period.

### b. Paternity leave<sup>5</sup>

Since 2013, Paternity leave of nine weeks includes one to 18 days of leave which can be taken while the mother is on Maternity or Parental leave, and the remaining 36 days which are to be taken after the Parental leave. Statistics allow for a different review of the uptake of these two different types of Paternity leave.

A majority of fathers take the one to 18 days of Paternity leave. In 2019, 85 per cent of fathers took this leave<sup>6</sup>. This percentage describes the uptake on an annual basis, counted as the proportion of the Parental benefit periods that started in the respective year. In a Kela study based on fathers' leave uptake on children's birth cohort basis, the percentages are lower. Until 2013, the proportion of fathers taking the 18-days Paternity leave was 70 to 75 per cent, but has dropped since then, and only 69 per cent of fathers of children born from 2015 onwards took this leave. Differences in data based on annual statistics and cohort-based analysis are mainly due to the possibility to take Paternity leave until the child turns two. This means that annual statistics for leave take-up in 2019 can include fathers whose child is born in 2017, 2018 or 2019. Since 2010, as the number of children born has decreased considerably year after year, and a significant number of fathers has postponed take-up of Paternity leave,

One to 18 days which can be taken while the mother is on leave.

<sup>&</sup>lt;sup>6</sup> Statistical Yearbook of the Social Insurance Institution 2019. Helsinki: Kela 2020.

<sup>&</sup>lt;sup>7</sup> Saarikallio-Torp, M. and Miettinen, A. (2020) 'Isälle kiintiöidyn vanhempainvapaan käyttö ja sen taustatekijät' [Trends and socioeconomic determinants in the use of father's quota ], *Yhteiskuntapolitiikka 85(4)*.

the annual share of fathers using Paternity leave becomes too high. However, with this precaution, we present this data to give a rough picture of the development of leave take-up, as cohort-based data is not available for earlier years.

Since 2008, the average length of the leave taken while the mother is on Maternity or Parental leave has been 15 working days.

The reasons for not taking the short Paternity leave are most often the father's work situation, the family finances, or the father not being in work.<sup>8</sup>

c. Parental leave and fathers' individual leave (i.e. the days of Paternity leave to be taken after the Parental leave)

The 158 days of Parental leave is mostly taken by mothers. Almost all mothers take Parental leave, whereas only a small and slowly growing share of fathers has taken Parental leave<sup>8</sup>. In 2019, six per cent of fathers took parental leave on an annual basis. Fewer than four per cent of mothers are working to any extent during their leave period.

The popularity of the fathers' individual leave increased gradually since its introduction in 2003. Before the 2013 reform, in 2012, on an annual basis about 30 per cent of fathers took this leave, then called fathers' month (Paternity leave to be taken after Parental leave). In 2019, the share had doubled to 62 per cent on an annual basis. However, looking at the cohort of children born in 2013, 45 per cent of fathers took Paternity leave after Parental leave period before the child turned two. Since then the share has remained the same. The average length of leave taken by fathers after Parental leave has risen from 24 days in the 2006 cohort to 31 days in the 2016 cohort.

Since 2013, it has been possible to postpone taking Paternity leave until the child turns two years of age. Analysis of the uptake statistics suggests that a shift towards leave uptake nearer the child's second birthday is taking place.<sup>7</sup> The THL study in 2017 based on survey data indicated that for most fathers (71 per cent), the possibility to postpone uptake was important for their taking of the leave, and for a third it was a decisive factor. <sup>9</sup>

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<sup>&</sup>lt;sup>8</sup> Lammi-Taskula, J., Salmi, M. and Närvi, J. (2017) 'Isien perhevapaat' ['Fathers on family leave,'], in Salmi, M. and Närvi, J. (eds.) *Perhevapaat, talouskriisi ja sukupuolten tasa-arvo [Family leave, economic crisis and gender equality*]. *Raportti 4/2017*. Helsinki: THL.

<sup>&</sup>lt;sup>9</sup> Närvi, J. (2018) *Isä hoitaa – vai hoitaako? (Daddy takes care – or does he?).* Working paper 1/2018. Helsinki: THL.

Statistics indicate that one in four fathers do not take either Paternity or Parental leave, not even the one to 18 days' leave while the mother is on leave. In the cohort-based analysis, the proportion of non-users was 29 per cent in 2006, decreasing gradually to 25 per cent in the 2016 cohort.<sup>7</sup>

Although the fathers' individual leave, the part of Paternity leave to be taken after Parental leave (the 'fathers' month' before 2013), has become more and more popular, its contribution towards actually equalising parental responsibilities is still called into question: in every third family, in 2016, the mother stayed at home during all of the father's Paternity leave weeks, because she planned to continue to care for the child at home (supported by the Home-care allowance), and because the father had to take his leave before the child's second birthday.9 However, before the extension of the time limit for taking leave (the 'fathers' month' was to be taken within six months of the end of the Parental leave until 2013), the majority of mothers stayed at home during this leave; with more flexibility in the use of the Paternity leave, more mothers have returned to work before the father takes his leave. which has directly increased fathers' individual responsibility.8

According to the two THL studies and Kela's study, men over the age 30, men with a good income, and men whose partners have a good income (as well as the fathers of first-born children) were more likely to take the 'fathers' month' or the longer Paternity leave. 7 8 9 In families where the mother had been employed before the child was born, the mother's high socio-economic status also increased the likelihood of the father taking the longer leave. This likelihood was halved if the father held the view that men were mainly responsible for the family's income, or if the father had recently experienced unemployment. The most common reasons that fathers gave for not taking the longer part of Paternity leave (or the 'fathers' month') were that they thought the family's finances did not allow it, or that their spouse was taking care of the child supported by the Home-care allowance (this is for the cohort of fathers with children born in 2011 or 2013). The spouse not having a job also hindered fathers from taking their leave quota. Work-related obstacles were also mentioned quite often. Highly educated fathers stated that they tended not take the longer leave because of work pressure or the nature of their work, while blue-collar workers more often cited family finances as their reason for not taking leave. However, family finances were mentioned more often than work-related reasons, even by highly educated fathers. Very few fathers mentioned negative attitudes at their workplace as an obstacle, but instead considered their own long absence from work as too difficult to justify taking. This was related to the distribution of their work during fathers' leave: fathers reported that a substitute was seldom hired, and work tasks were most commonly shared between fellow workers or, among white-collar

employees, were left to be taken care of by the father himself despite taking leave, which made fathers hesitate to use the possibility of taking leave for longer than a few weeks.<sup>8 9</sup>

In the THL's study in 2017, five per cent of fathers took Parental leave. The average length of fathers' Parental leave was 58 working days. Fathers with children born in 2011 were more likely to share the Parental leave with the mother if they were over 30 years of age and the fathers of first-born children. The spouse's higher education level had a significant – if small – effect on the likelihood of fathers sharing the Parental leave. Fathers with children born in 2013 more commonly took Parental leave if their spouse had a higher education level and income, especially if the father himself was not highly educated.<sup>8</sup>

The spouse's education level was significantly related to fathers' parental leave also in a survey in 2016 with parents of one-year-old children living in ten different municipalities 10. In addition, parental leave was more often taken by fathers in regular day jobs than in shift work. Entrepreneurs and managers took less often parental leave. Aspects related to motivation were however more important than socioeconomic background: the main motivation for fathers' take-up of parental leave was the desire to spend time with the child, as well as to take a break from working life and support the mother's return to employment or studies.

The part-time option for taking Parental leave has not been popular. In 2003 (the first year that it was available) 37 parents received the Partial Parental allowance, rising gradually to 120 parents (60 couples) in 2010. This means that fewer than 0.1 per cent of families with a new-born child used the new arrangement in its first seven years. The use has not increased subsequently; 40 to 70 couples used it per year between 2010 and 2017, and 105 couples used it in 2020.<sup>11</sup>

While statistics and research indicate that, during the past ten years, more and more fathers have taken the longer Paternity leave (and 'fathers' month' before that), the leave takers still tend to more often be men with a high level of education and a good position in their working life, especially men whose spouses have a high level of education and a good position in their own working life. Recent research clearly points to the importance of developing the leave schemes towards longer quotas for fathers. At the same time, research shows that workplace practices in organising work during fathers' leave, as well as gendered ways of perceiving only the ear-marked leave as father's

Eerola, P. et al. (2019) 'Fathers' leave take-up in Finland: Motivations and barriers in a complex Nordic leave scheme'. SAGE Open. Available at: <a href="https://doi.org/10.1177/2158244019885389">https://doi.org/10.1177/2158244019885389</a>

<sup>&</sup>lt;sup>11</sup> See www.kela.fi/kelasto [Parental allowances].

leave, play an important role in how fathers – in practice – consider themselves entitled to Parental leave.

#### d. Childcare leave or career breaks

Almost all families (86 per cent in 2019<sup>12</sup>) took advantage of the Homecare allowance (HCA) at least for some time after Parental leave. Since 2006, statistics are available regarding its use by parents, showing that HCA is used almost entirely by mothers. Only 6 to 9 per cent of the recipients of HCA per year (2006-2020) have been men. In 2020, 7.9 per cent of the recipients of HCA were men. In 97 per cent of all families receiving HCA, one of the parents takes care of the child and in 96 per cent of these cases, this is the mother. <sup>12</sup>

In the long run, HCA has become less popular; the proportion of children aged zero to two years taken care of at home supported by HCA has dropped from 58 per cent in 2000 to 42 per cent in 2019<sup>12</sup>. The overall decreasing popularity matches the growing proportion of young children attending childcare services from 2000 to 2019: while the proportion of children under the age of one in these services has dropped to less than one per cent, the proportion of children aged one has risen to 37 per cent (and children aged two to 69 per cent).<sup>13</sup>

The debate on possible cuts to the HCA period in 2013–2014 (see country note 2015), and again in 2018–2019 led to calculations on how many two-year-olds and their siblings are taken care of at home supported by HCA. In 2019, 23 per cent of all two-year-olds were taken care of at home on HCA, a clear reduction from the beginning of 2010s, when about a third of all two-year-olds were at home care. Among children aged three to six years, five per cent were at home care in 2019 (10 per cent in early 2010s).<sup>12</sup>

Annual statistics also enable an assessment of uptake periods of HCA. In families receiving this allowance at some point before their child turns three years of age, <sup>14</sup> periods taken have divided rather evenly: in 2019, 30 per cent took fewer than seven months; 29 per cent took between seven and 12 months; 29 per cent took between 13 and 24 months; and 12 per cent took longer than 24 months (the maximum length being 26 to 27 months)<sup>12</sup>. However, the proportion taking the longest period of leave has declined from 25 per cent (2003) to 12 per cent (2019),

<sup>&</sup>lt;sup>12</sup> See www.kela.fi/kelasto [Child care subsidies] and *Statistical Yearbook of the Social Insurance Institution 2019*.

<sup>&</sup>lt;sup>13</sup> Säkkinen, S. and Kuoppala, T. (2020) *Varhaiskasvatus 2019 [Early childhood education 2019]* Helsinki: THL Statistical Report 33/2020.

<sup>&</sup>lt;sup>14</sup> These statistics exclude families receiving home-care allowance where the person taking care of the child is not a parent; however, these families only comprise 2 to 3 per cent of all recipients.

while the proportion taking the shortest periods rose from 26 to 30 per cent. <sup>12</sup> In the long run, from cohorts of children born 2007 to 2015, the median lengths of HCA periods have decreased from 16 months to 13 months, and the proportion of mothers using HCA for 15 months or more has decreased from 48 per cent to 39 per cent. <sup>15</sup> The recent decline in the uptake of HCA likely reflects the improving labour market situation.

The proportion of fathers taking HCA has remained low. The (few) male recipients of HCA took much more often the shortest periods than their female counterparts (70 per cent in 2019), and of all men taking HCA, 11 per cent took it for more than 12 months. The THL family leave study on parents who had a child in 2011 shows that it was most likely taken by fathers whose spouses had a high employment status and a high income. Status and a high income.

According to surveys in 2013 and 2016, the main obstacle for fathers' take-up of Home-care leave with HCA was family finances, which more than half of the surveyed fathers said hindered them from taking Childcare leave. Other common reasons for not taking the leave (cited by a fifth to a third of fathers) were that their spouse did not have a job, that the father did not consider taking the leave to be necessary, and that the child started at day care. Work-related reasons such as the nature of their work or work pressure were mentioned by only one in six or one in five fathers.<sup>8</sup> 9

Mothers' take-up of child-care leave or HCA is related to the mothers' education and position in the labour market. According to the THL family leave study of parents with a child born in 2011, a mother with a two-year-old youngest child was more likely to be in paid work if she was: employed before the child was born, had a high-income level, had a high level of education, and had a permanent contract when the child was born. A mother was more likely to be still at home with a two-year-old if she was: a blue-collar worker, had a low level of education, had a low-income level before the child was born, and if she had three or more children. Of the mothers who were still at home with a two-year-old youngest child, less than half had a job waiting for them and half did not have an employment contract. <sup>16</sup> Further analysis indicated that of the mothers without an employment contract, almost a third had no education after basic school; a third had vocational education, and a

<sup>&</sup>lt;sup>15</sup> Calculations by Anneli Miettinen and Miia Saarikallio-Torp, Social Insurance Institution.

<sup>&</sup>lt;sup>16</sup> Närvi, J. (2017) Äitien perhevapaat ja osallistuminen työelämään [Mothers' family leave and participation in working life]. In: Salmi, M. and Närvi, J. (eds) *Perhevapaat, talouskriisi ja sukupuolten tasa-arvo [Family leave, economic crisis and gender equality]*. Raportti 4/2017, Helsinki: THL.

third had more than vocational education.<sup>17</sup> Recent statistics show that education is crucial for employability and there are major differences in the share of employed mothers according to their level of education. In 2018, 65 per cent of highly educated mothers with a one to two year old child had returned to paid employment, compared to only 21 per cent of mothers with no secondary education.<sup>18</sup>

A study using Kela's register data on mothers of children born 2001–2009 also found that mothers who were highly educated and had a more secure labour market position pre-childbirth returned to employment more quickly. <sup>19</sup> Further analyses also showed that of all first-time mothers, 29 per cent continued to a new parental leave for the second child directly from HCA. Thus, less than a third of mothers were combining subsequent parental leave periods with HCA-periods and staying at home continuously for several years. This pattern was more common among mothers who were in a weaker labour market position before the birth of the children. <sup>20</sup>

The THL family leave study also showed that when mothers' individual motivations for relying on HCA were analysed, a traditional view on a mother's place being at home as well as mistrust on the quality of day care services increased, together with the factors related to education and position in the labour market, the likelihood of the mother still being at home with the two-year-old.<sup>16</sup>

The Flexible Care allowance, available from the beginning of 2014, seems to be much more popular than the previous Partial Care allowance for children under the age of three (see Country note 2018). During 2014, 15,251 children (6 per cent of the age group) were taken care of supported by this allowance, while in 2013 only 10,927 children under the age of three were taken care of supported by the Partial Care allowance. The popularity of the new part-time leave arrangement has gradually increased and in 2020, 18,605 families received Flexible Care allowance, although the proportion of children under three years old being taken care of by this allowance is low, about six per cent. Flexible Care allowance has been more popular among highly educated mothers and those whose spouse has high income level, although, compared to

<sup>&</sup>lt;sup>17</sup> Salmi, M. and Närvi, J. (2019) *The Finnish family leave reform in the light of research: the rise and fall of a reform 2017–2018.* Paper presented at the conference Towards Resilient Welfare States, Helsinki 14–15 March 2019.

<sup>&</sup>lt;sup>18</sup> Statistics Finland, Labour force study, Families and Work 2018.

<sup>&</sup>lt;sup>19</sup> Räsänen, T, Österbacka, E., Valaste, M. and Haataja, A. (2019). Lastenhoidon tukien vaikutus äitien osallistumiseen työmarkkinoille [The effect of child care subsidies on mothers' labour market participation], Social security and health reports 14. Helsinki: Kela.

<sup>&</sup>lt;sup>20</sup> Räsänen, T., Miettinen, A. and Saarikallio-Torp M. (2020). 'Äidin työmarkkina-asema ja lasten kotihoidon pituus' [Mother's labour market status and children's home care], *Talous ja Yhteiskunta* 1/2020.

the previous Partial Care allowance with a lower benefit, the new allowance has increased the take-up also among mothers with lower education levels<sup>21</sup>. One in ten recipients of the Flexible Care allowance were fathers.<sup>12</sup>

In 2018, one in four mothers with children aged 1–2 worked part-time. <sup>18</sup> The THL family leave study showed that of mothers with two-year-olds who had returned to employment, 28 per cent worked part-time in 2013. A third of mothers still at home with their two-year-old planned to work part-time. Also, one in three mothers were interested in working part-time, but did not find it possible. The most common obstacle was family finances, but part-time work was also considered unsuitable either because it would be difficult to arrange or because the mother thought she would have the same workload, but with less time and less pay. <sup>22</sup> The Partial Childcare leave was used or planned mostly by mothers who had a valid employment contract before the child was born. <sup>23</sup>

In 2020, Partial Home-care allowance during the child's first and second years at school was used by 16,168 families, to take care of seven per cent of children seven and eight years of age. Nine per cent of the recipients of Partial Home-care allowance were men. <sup>12</sup>

The use of the Private Day Care allowance for children under the age of three is relatively rare. Altogether 14,608 families received Private Day Care allowance in 2020 for children aged zero to seven years. Two per cent of one-year-olds and two-year-olds were taken care of supported by this allowance in 2019. 12

The results of recent research confirm earlier findings that the length of leave periods taken by mothers depends on the mother's level of education, her employment status, and her possibilities and experiences in the labour market, as well as how easy it is to find employment, especially for women with a low level of education – however, the values

<sup>22</sup> Salmi, M., Lammi-Taskula, J. and Mäntylä, E. (2016) 'Pienten lasten äidit osa-aikatyöhön? Politiikan ja käytäntöjen ristiriitoja' ['More part-time work to mothers of young children? Contradictions of policy and practice'] *Yhteiskuntapolitiikka*. Vol.81, 2: 206–215. See also: www.leavenetwork.org – > Annual seminar 2015 –> Presentations.

<sup>&</sup>lt;sup>21</sup> Pekkarinen, T. and Tuomala, J. (2019) 'Joustavan hoitorahan työllisyysvaikutusten arviointi' ['An assesment of the effects of the Flexible care allowance on employment']. *Valtioneuvoston selvitys- ja tutkimustoiminnan julkaisusarja 2019*: 46. Helsinki: Valtioneuvoston kanslia.

<sup>&</sup>lt;sup>23</sup> Salmi. M, Närvi, J., Lammi-Taskula, J. and Mäntylä, E. (2017) 'Osa-aikaisten perhevapaiden ja osa-aikatyön käyttö, mahdollisuudet ja esteet' ['Take-up, possibilities and obstacles of partial childcare leave and part-time work'], in M. Salmi and J. Närvi (eds) *Perhevapaat, talouskriisi ja sukupuolten tasa-arvo [Family leave, economic crisis and gender equality]*. Raportti 4/2017, Helsinki: THL.

and attitudes of the mother also play a role. The leave schemes also seem to create two categories of women in which a) women with a stable position in the labour market, higher levels of education, and better employment prospects have more options (i.e., being able to choose between a shorter or a longer family leave period, and between a period of part-time and full-time work), while b) women with little education and fewer opportunities in the labour market have fewer alternatives. So, a woman with a fixed-term contract or without work prior to the birth of her child is more likely to stay at home for a longer period, and to be reliant on the Home-care allowance. The HCA, therefore, has partly become an income source for unemployed women, even if it is lower than the basic unemployment benefit, while also functioning as an alternative to the use of childcare services for parents with an employment contract. It also serves as an alternative to unemployment, making room for mothers who identify strongly with the role of mothers as caregivers, instead of the less socially-valued identity of the unemployed.

#### e. Other employment-related measures

There are no annual statistics available on the uptake of temporary childcare leave to care for an ill child. In the Quality of Work Life Survey (2018), <sup>24</sup> 72 per cent of employed mothers and 61 per cent of employed fathers with children under ten years of age had taken temporary childcare leave during the past 12 months – this is compared to 67 per cent of mothers and 52 per cent of fathers in 2013. In families where both parents have full-time employment, 76 per cent of mothers and 69 per cent of fathers have taken temporary childcare leave, compared to 71 per cent of mothers and 60 per cent of fathers in 2013. Although mothers still take temporary childcare leave more often than fathers, the gender gap has decreased over the past years.

In the THL family leave study, 77 per cent of mothers of two-year-olds who had returned to work, and 54 per cent of fathers, had taken temporary childcare leave during the past year. However, many of the fathers' spouses were still at home taking care of the two-year-old. In families where both parents were employed, 79 per cent of mothers and 74 per cent of fathers had taken leave to care for an ill child. One in four mothers and one in three fathers worked at home while being on temporary childcare leave. This has grown much more common, compared to 2006, when only ten per cent of mothers and 12 per cent of fathers did so. The increasing use of mobile technology, allowing for

<sup>&</sup>lt;sup>24</sup> Sutela, H., Pärnänen, A. and Keyriläinen, M. (2019) Digiajan työelämä – *Työolotutkimuksen tuloksia 1977–2018 [Working conditions Surveys 1977–2018.]* Helsinki: Statistics Finland.

remote working, more prevalent in many workplaces could potentially explain this change.  $^{25}$ 

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<sup>&</sup>lt;sup>25</sup> Närvi, J. (2017) 'Perhevapaat työpaikoilla ja työelämässä' ['Family leave at workplaces and in working life'], in M. Salmi and J. Närvi (eds.) *Perhevapaat, talouskriisi ja sukupuolten tasa-arvo [Family leave, economic crisis and gender equality]*. Raportti 4/2017, Helsinki: THL.