

# Iceland<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 [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

**Note on terminology:** The term *fæðingarorlof* (literally 'birth leave') is used in law to refer to paid Parental leave; there is no separate Maternity or Paternity leave. Indeed, the law was changed in 2006 to address parents without mentioning the sex of the parent, in order to avoid discriminating on the basis of gender or sexual orientations. LGBT couples have the same rights as heterosexual couples in all areas. Sometimes the term *feðraorlof* (Paternity leave) is used in day-to-day conversations about the non-transferable individual rights that fathers are entitled to (the father's quota) even though the law does not make such distinction between the Parental leave of fathers and mothers.

The 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.'

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

- There is no separate Maternity leave, but it is obligatory for mothers to take two weeks Parental leave after delivery and one month may be taken before the expected birth date (see 1c).
- Additional leave is possible if healthy working conditions for a pregnant mother cannot be ensured or if a pregnant mother has to stop working sooner than one month before expected birth due to health issues related to the pregnancy.
- Leave can be extended by two months if the mother suffers from a serious illness in connection with the birth.

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

No statutory entitlement. See 'Note on terminology' at start of country note.

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

*Length of leave (before and after birth)*

- Six months per parent. Leave is an individual entitlement, but six weeks are transferable to the other parent. It is obligatory for mothers to take two weeks of leave following the birth and one month may be taken before the expected birth date (see 1a).

*Payment and funding*

- 80 per cent of the individual's average total earnings for a twelve-month period ending six months before birth, up to a limit of ISK600,000 [€4,325.88]<sup>2</sup> 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 ISK143,963 [€1,038] per month; and the minimum payment for a mother working 50 to 100 per cent of full time-hours is ISK199,522 [€1,438] per month.
- For those working under 25 per cent of full-time hours, and those outside the labour market, the amount is ISK87,062 [€628] per month. Students/pupils (75 to 100 per cent of full-time studies) receive a flat-rate payment of ISK199,522 [€1,438] per month. As a frame of reference, the minimum wage in Iceland in 2020 was ISK368,000 [€2,653] per month.
- Non-employed parents are not entitled to any pension credits while caring for their child. Employed parents taking leave continue to accumulate their

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<sup>2</sup> Conversion of currency undertaken for 21 June 2022, using:  
[https://www.ecb.europa.eu/stats/policy\\_and\\_exchange\\_rates/euro\\_reference\\_exchange\\_rates/html/index.en.html](https://www.ecb.europa.eu/stats/policy_and_exchange_rates/euro_reference_exchange_rates/html/index.en.html)

pension entitlements (and in indeed all other entitlements) as if they were at work.

- Payments are taxed.
- Economic compensation is paid by the Maternity/Paternity Leave Fund, which is financed mainly by an insurance levy paid by employers.

#### *Flexibility in use*

- Leave 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 must be negotiated with the employer. Parents can be on leave together, part of the time or for the whole period.

#### *Regional or local variations in leave policy*

- None.

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

- All biological or adoptive parents have individual rights to six months paid Parental leave, regardless of sexuality or marital status. Six weeks are transferable to the other parent. A non-custodial parent has a right to parental leave if the custodial parent agrees to its access to the child while on leave.
- Icelandic citizenship is not required, but activity in the Icelandic labour market for six consecutive months is usually required. Those outside the labour market must have had permanent residence in Iceland for 12 months prior to the birth of the child.

#### *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 a miscarriage after 18 weeks, the parents are entitled to two months of leave each and, in the case of stillbirth after 22 weeks, each parent is entitled to three months of leave.
- Parents have shared right to three additional months of leave for each additional child in the case of multiple birth and the same goes for adoptions.
- If a child has to stay in hospital for more than seven days after birth, suffers from serious illness or disability that calls for increased care by parents, it is possible to extend the leave for up to seven months. This is a joint right, which parents can divide as they see fit.
- Leave can also be increased if the child must stay in hospital for more than seven days after the birth – the leave is extended by the same amount of time that the child is hospitalised for (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 into their permanent foster care), the parent has a right to twelve months paid Parental leave.
- If a mother is unable to fulfil her legal duty to name the father of a child she has a right to all twelve months.
- In special cases, if one of the parents is in prison or hospital or is unable to take care of the child due to health reasons, it is possible to transfer the rights of that parent to the other parent.
- If a parent is subject to restraining order, if either parent has no right to parental leave, neither in Iceland nor elsewhere and if either parent will not be taking care of the child due to being prohibited access by authorities with that right or the courts the other parent has the right to all twelve months.

#### **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 of age 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 employees to fulfil their responsibilities towards their families, but that is all. Most or all unions have negotiated a number of leave days for when children are sick, but there seem to be no instances where unions have negotiated a right to leave in the case of any other close relative being ill.

##### *Flexible working*

- Employers are required by the Equal Status Act to make the necessary arrangements to enable both 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 the 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 is 20 months when there are two parents, twelve months of well-paid leave and then each parent has four months of unpaid leave. There is no legal entitlement to ECEC. However, most municipalities offer ECEC for children but, due to a gap still existing between the end of Parental leave and admission to public ECEC services, many parents opt for private childminders or similar solutions to bridge this gap. There are few private childminders and in most cases the parents need to bridge the gap without public support.

For ECEC attendance levels, see 'relationship between leave and ECEC entitlements' on [cross-country comparisons](#) page.

## **3.Changes in policy since April 2021 (including proposals currently under discussion)**

No changes reported.

## **4. Uptake of leave**

### **a. Maternity leave**

In 2019 (the last year for which final figures are available) 99 per cent of women applying for leave used at least the three months which were then available only to mothers. For more details, see 4c.

### **b. Paternity leave**

See 4c.

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

In 2019, 87 per cent of fathers took a period of leave (Paternity leave (which was three months and/or parents' joint rights which were three months in 2019), taking an average of 91 days' leave (compared to 180 for mothers). We therefore see a rise both in the percentage of fathers using Parental leave and the number of days they use, following a rise of the ceiling on leave benefits which took place in the fall of 2016. However, the take-up rate of fathers is still lower than it was prior to the economic crisis that hit Iceland in the fall of 2008. Overall, 15.1 per cent of fathers took some of the parents' joint rights, and 28.7 per cent took less than their three months of designated Paternity leave; 93.5 per cent of mothers took some period of parents' joint rights, while 0.7 per cent used less than their three months.

In 2019, 29.9 per cent of men and 31.4 per cent of women took leave in one uninterrupted period; the remainder took their leave in two or more parts.