Policies and parents on the move:
Policies during times of crisis and how Icelandic and Polish parents use paid parental leave in Iceland

Guðný Björk Eydal
with Ásdís A. Arnalds and Ingólfur V. Gíslason
Outline

• The policies from 2000
• The crisis in 2008
• Policies on the move
• Parents on the move, Polish and Icelandic parents
Draws upon previous projects

• The presentation is based on official statistics, policy analysis and data collected in the project *Childcare and labour market participation of parents of children under the age of 3* lead by Guðný Björk Eydal and Ingólfur V. Gíslason

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• Thanks to Ingólfur V. Gíslason, associate professor and Ásdís Arnalds PhD student for co-operation, advice and information
THE POLICIES FROM 2000

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Iceland and the Nordic welfare model

• The Nordic countries are usually categorised as belonging to the Scandinavian or Nordic welfare model

• Iceland: Shares the goal but historically a different path – smaller welfare expenditure – less public support

• Universal entitlements to 3 months paid parental leave in 1981 and 6 months in 1991
Quota for fathers?

• Many bills presented by MPs from the left of the centre in 1990s without success: In line with 1990s new policies in Scandinavia - “daddy quota”/”use it or loose it“

• In 1998 2 weeks paternity leave
Aim of the act on parental leave in 2000

• “...to ensure children’s care from both their fathers and mothers [later changed to both parents].

• Furthermore, ...to enable both women and men to co-ordinate family life and work outside the home”
### Entitlements in 2000

<table>
<thead>
<tr>
<th>Age 0-18 months</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mother 3 months</strong>  [in case of same sex parents both parents]</td>
<td>80% of previous salaries/ universal payments for non-working parents</td>
</tr>
<tr>
<td><strong>Father 3 months</strong></td>
<td>Same</td>
</tr>
<tr>
<td><strong>Mother or father 3 months</strong></td>
<td>Same</td>
</tr>
</tbody>
</table>
• Mother has to take leave first two weeks after birth but can otherwise be used as parents like during the first 18 months after birth
• Both parents are entitled to paid parental leave regardless of custody/family form/gender/residency etc.
• Only in cases of one parent the parent is given the right to all 9 months
• A cap of 480,000, (approx. 1,5 times the av. salary) was introduced in 2004
Wide support for the law

- Unions and employee organisations
- General public
- All political parties
- Bill introduced by the Minister of Social affairs from the Centre Party (CP)
  - on behalf of a coalition government of the CP and the Independence Party (right of the centre)
Studies show wide acceptance to leave for fathers: Gallup Iceland 2003: 
Men according to age

- **16-24 years**: 97.5%
- **25-34 years**: 90.8%
- **35-44 years**: 87.7%
- **45-54 years**: 85.1%
- **55-75 years**: 69.9%
Mothers’ and fathers’ uptake of paid parental leave in Iceland, 2001-2007

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
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<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications from fathers as % of mothers</td>
<td>82.4</td>
<td>83.6</td>
<td>86.6</td>
<td>89.8</td>
<td>88.2</td>
<td>88.6</td>
<td>88.5</td>
</tr>
<tr>
<td>Average number of days used by fathers</td>
<td>39</td>
<td>68</td>
<td>97</td>
<td>96</td>
<td>99</td>
<td>99</td>
<td>101</td>
</tr>
<tr>
<td>Average number of days used by mothers</td>
<td>186</td>
<td>187</td>
<td>183</td>
<td>182</td>
<td>184</td>
<td>185</td>
<td>181</td>
</tr>
<tr>
<td>Fathers using more than their quota %</td>
<td>14.5</td>
<td>13.9</td>
<td>16.1</td>
<td>17.1</td>
<td>19.5</td>
<td>19.7</td>
<td>21.2</td>
</tr>
</tbody>
</table>

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Nordic countries: Percentage of total number of benefit days used by fathers in 2000-2006

<table>
<thead>
<tr>
<th></th>
<th>Denmark</th>
<th>Finland</th>
<th>Iceland</th>
<th>Norway</th>
<th>Sweden</th>
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</thead>
<tbody>
<tr>
<td>2000</td>
<td>5</td>
<td>4</td>
<td>3</td>
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<td>14</td>
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<tr>
<td>2001</td>
<td>6</td>
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<td>11</td>
<td>8</td>
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<tr>
<td>2002</td>
<td>6</td>
<td>5</td>
<td>20</td>
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<td>16</td>
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<td>2006</td>
<td>6</td>
<td>7</td>
<td>34</td>
<td>12</td>
<td>23</td>
</tr>
</tbody>
</table>
2008 CRISIS

Icelandic Krona
Against the euro (Icelandic Krona per €)

Source: Thomson Reuters Datastream

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Crisis in autumn 2008...

• Three of the country's major banks **collapsed** and were taken over by the state

• The national currency **krona** fell sharply in value

• **Unemployment** rose

• Many **families were hit hard**, in particular families with young children, buying their first home
From protests to Nordic welfare government

• After protests from the public in autumn 2008 and spring 2009, the coalition government of the Independence Party (right-of-centre) and the Social Democratic Alliance resigned.

• After the elections the SDA and Left-Green Party created a coalition government (left-of-centre) in spring 2009.
## Austerity measures

| Year Range       | Percentage | Cap                                | Notes                                          |
|------------------|------------|------------------------------------|                                               |
| 2000-2003        | 80%        | No cap                             |                                                |
| 2004-2005        | 80% - 18 months | 480,000                     |                                                |
| 2006-2008        | 80%        | 504,000-535,700                    |                                                |
| 2009             | 80% - 3 years | Until 1/7 400,000 After 1/7 350,000 |                                                |
| 2010-2012        | 80% of 200,000-75% of rest | 300,000                           |                                                |
| 2013             | 80% - 2 years | 350,000                           |                                                |
| 2014-2016        | 80%        | 370,000                           |                                                |

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Politics

• Pointed out that coupled with other the cuts could lead to a **backlash** in gender equality

• The government (SDP and LG) claimed that the **cuts were temporary**

• No proposals on abolishing the non-transferable rights (though it would mean savings)
### Take up after crisis- 2014-15=preliminary*

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
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<th>2013</th>
<th>2014</th>
<th>2015</th>
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<tbody>
<tr>
<td>Fathers applic. as % of mothers</td>
<td>84</td>
<td>81</td>
<td>81</td>
<td>80</td>
<td>80*</td>
<td>69.1*</td>
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<tr>
<td>Fathers days</td>
<td>93</td>
<td>89</td>
<td>86</td>
<td>87</td>
<td>81*</td>
<td>74*</td>
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<tr>
<td>Mothers days</td>
<td>180</td>
<td>179</td>
<td>179</td>
<td>181</td>
<td>181*</td>
<td>179*</td>
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</table>
## Data collection and response rates

<table>
<thead>
<tr>
<th>Round</th>
<th>2001</th>
<th>2007-2008</th>
<th>2013</th>
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<tbody>
<tr>
<td><strong>Data collection method</strong></td>
<td>Mail survey</td>
<td>Mail and web survey</td>
<td>Web survey</td>
</tr>
<tr>
<td><strong>Characteristics of the population</strong></td>
<td>Parents of children born in 1997 who were their mother's firstborn</td>
<td>Parents of children born in 2003 who were their mother's firstborn</td>
<td>Parents of children born in 2009 who were their mother's firstborn</td>
</tr>
<tr>
<td><strong>Number of respondents</strong></td>
<td>890</td>
<td>874</td>
<td>1218</td>
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<tr>
<td><strong>Response rate</strong></td>
<td>57%</td>
<td>56%</td>
<td>63%</td>
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Questions on the division of care:
How was the child’s care divided between parents the first 36 months during the day and during the night?

<table>
<thead>
<tr>
<th>Child’s age in months</th>
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<th>36</th>
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<td><strong>DURING THE DAY</strong></td>
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<td>Mother completely cared for the child</td>
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<td>Mother mostly cared for the child</td>
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<td>Care was divided equally</td>
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<td><strong>Father mostly cared for the child</strong></td>
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<td><strong>Father completely cared for the child</strong></td>
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<td><strong>DURING THE NIGHT</strong></td>
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<tr>
<td>Mother completely cared for the child</td>
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How did cohabiting and married parents divide care during the day?

- Children born in 1997
  - Father cared for the child completely/mostly
  - Care was divided equally
  - Mother cared for the child completely/mostly

- Children born in 2003
  - Father cared for the child completely/mostly
  - Care was divided equally
  - Mother cared for the child completely/mostly

- Children born in 2009
  - Father cared for the child completely/mostly
  - Care was divided equally
  - Mother cared for the child completely/mostly

Guðný Björk Eydal LPR Madrid 2016
The twofold aim of the law?

• Our studies shows clearly that parents are dividing the care of their young children more equally after the law came into effect and fathers take active part in care during the first three years.

• and that parents working hours and labour market participation has become more equal after the law came into force.
Lessons learned

• **Fathers penalty**: If the ceiling is too low the fathers take up is negatively influenced, thus their take up is still more vulnerable compared to mothers

• (+ influenced by changes in labour market push and pull factors)

• **Mothers penalty**: The care gap between paid parental leave and pre-school is mainly bridged by mothers – hence the care gap is in contrast with the aim of the law

Guðný Björk Eydal LPR Madrid 2016
POLICIES ON THE MOVE: AUSTERITY MEASURES AND RESTORATION

Guðný Björk Eydal LPR Madrid 2016
December 2012 new law

- Governmental bill (SDP and LG), extended leave: 12 months 4+4+4
- Aim to close the care gap between paid parental leave and pre-school (1-2 years old)
- After the process in the committee in the parliament proposal changed to **5+5+2**
  enacted unanimously into law (fully in force in 2016)
- The ceiling gradually raised to previous level
- The period of take up 2 years

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Spring 2013 elections

- A coalition government of the Progressive Party and Independence Party (right-of-centre) back in power (as in 1995-2007)
Autumn 2013

• The government pledges its support to gender equality and support to families with children

• The extension of the leave to 12 months abolished but a committee appointed to make proposals on how to close the care gap between paid parental leave and pre-school

• The ceiling raised: 80% of income up to 350,000 and more raise is planned in order to restore the amount to the before crisis level
Proposals 2016

• 100% payment for wages less than 300.000 and 80% up to 600.000 ISK
• 12 months 5+5+2 (2019-2021)
• Pre-school from age of 12 months
• Bill presented but on website...
• Panama documents and parliamentary elections
PARENTS ON THE MOVE-CONSTRUCTION OF PARENTHOOD

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The importance of studying leave use of immigrant parents

- To date no study has investigated how parents with non-Icelandic citizenship make use of their entitlements.

- Duvander et al. (2006, 2014) have stressed the importance of investigating parental leave use of immigrants in Sweden:
  - Different labour market situation/higher unemployment among immigrants
  - Information about entitlements might not reach immigrant parents.
  - Nordic ideas and attitudes towards work and family may be in contrast with ideas on the division of labor between parents in the country of origin

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Data and methods

Quantitative data
- Survey in 2013 please see slide above
- Parents could choose from answering the survey in Icelandic, English or Polish
- In 2014 Polish citizens were:
  - 45% of all foreign citizens living in Iceland
  - 3% of the total population (330,000) living in Iceland

Qualitative data
- In-depth interviews with 20 parents with an Icelandic citizenship (carried out in Icelandic) and 20 parents with a Polish citizenship (carried out in Polish)
Mothers’ leave use

- Mean length for mothers with a Polish citizenship: 24 weeks
- Mean length for mothers with an Icelandic citizenship: 24 weeks

Percentage of mothers of firstborns in 2009 on full- or part-time parental leave during the child’s first 36 months.

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Fathers’ leave use

- Mean length for fathers with a Polish citizenship: 8.2 weeks
- Mean length for fathers with an Icelandic citizenship: 8.9 weeks

Percentage of fathers of firstborns in 2009 on full- or part-time parental leave during the child’s first 36 months.

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Using the leave with the mother

- Icelandic parents on leave at the same time
- Icelandic father alone on leave
- Polish parents on leave at the same time
- Polish father alone on leave

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Understanding gained from the qualitative study

• The importance of being with the extended family in Poland

“Everybody could meet him, not only for a short time [...] consequently, my son is very much for his grandparents”

(Natia, a Polish single mother who’s former partner used 3 months of leave with her)
The division of care

Both parents Icelandic: Care was evenly divided
Both parents Polish: Care was evenly divided
Both parents Icelandic: Mother took care of the child
Both parents Polish: Mother took care of the child

Child's age in months
Conclusion

• Fathers use their quota regardless of if they are born in Poland or Iceland
• Difference in when and how Icelandic and Polish fathers use leave + difference in division of care
• In order to gain better understanding: The qualitative study among 20 Polish and 20 Icelandic born parents
Poland: Women strike on Monday