



NATIONAL INSTITUTE FOR HEALTH AND WELFARE

Current challenges in leave policies in Finland

Johanna Lammi-Taskula, PhD, Research Manager

Leave policies in Finland

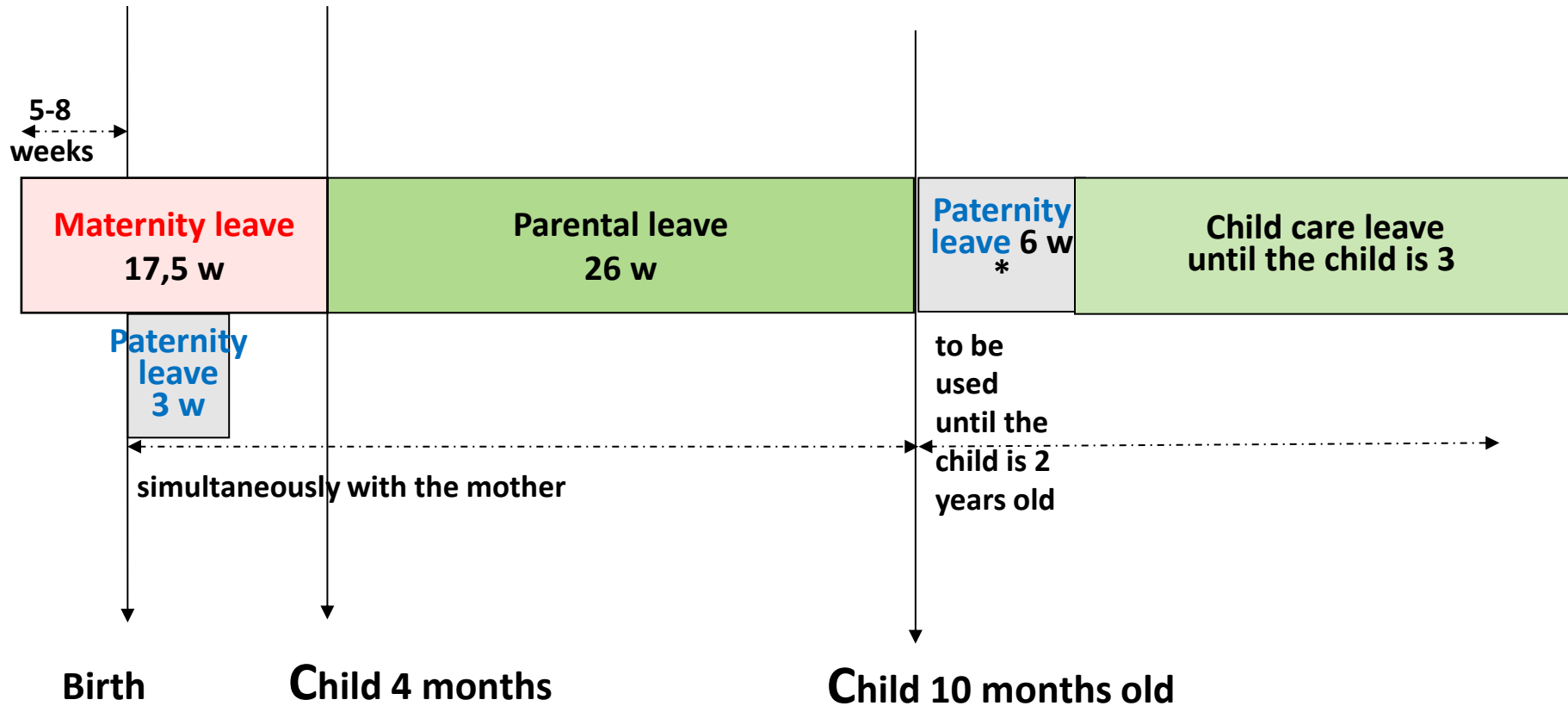
- Maternity, paternity and parental leave with income-related benefit (90 % or 70 %) until child is about 11 months old.
- Care leave and home care allowance with flat-rate benefit (€338/month) until child is 3 years old.
- Support to part-time work (partial care leave; flexible care leave with flat-rate benefit €97/161/241/month).
- Temporary care leave (4 days) to take care of sick child until child is 10 yrs (full pay depending on collective agreement).

ECEC policies

- Subjective right to early childhood education and care after parental leave (20 hrs if parent is unemployed or on parental leave).
- Income-related fee max 290 €/month, second child 50 % and cons. 20 %
- Support to users of private daycare (€172/m or voucher).



Leave scheme in Finland



* This was called father's month during 2003-2013



Development of leave schemes in Finland

Leave reforms have been negotiated as part of the tripartite general settlements of working life policies (wages, hours) and social policies (sickness insurance, pensions) between employers, employees and the state. Since 2011, such settlements have not been negotiated.

- **Maternity leave** (1964-)
- **Paternity leave** (1978-)
- **Parental leave**, transferable (1985-); part-time par. leave (2003-)
- **Home care leave**, transferable (1985-);
- **Father's month** (2003-2013)
2003: 2+2 weeks
2007: more flexible use
2010: 2+4 weeks
- **Paternity leave** = Paternity leave + Father's month
2013: 9 weeks



Contradictions of the dualist policy

On the one hand, leave schemes have since 1970's been an important tool for **promoting work-family reconciliation** and gender equality

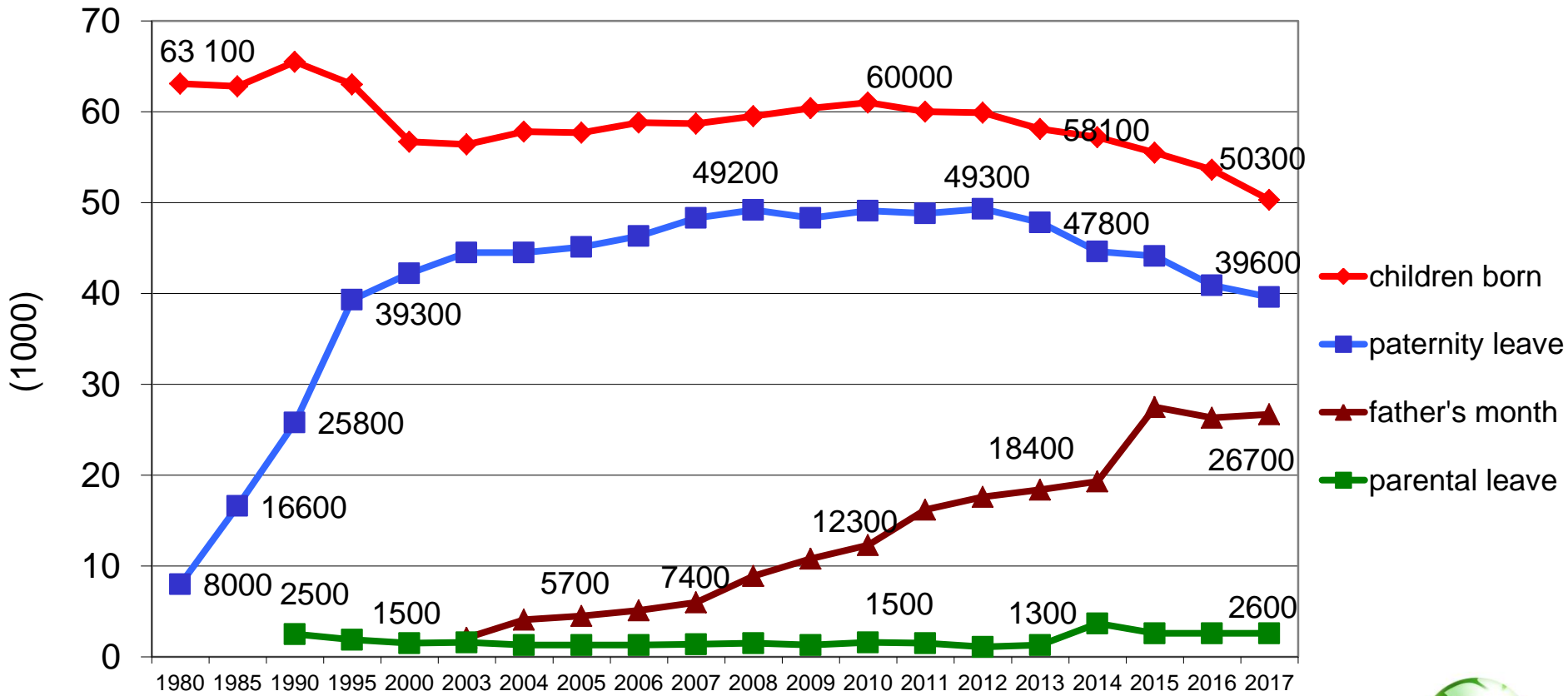
- one's job is protected and income-related parental benefits compensate for income loss during leave
- parental leave is gender neutral and can be taken by both parents
- non-transferable quotas promote more equal sharing of leave between mothers and fathers.

On the other hand, the **risk of discrimination in the labour market** is higher for women than men in child-bearing age

- mothers take majority of leave -> statistical discrimination
- the costs of parenthood are seen as a burden by employers especially in female-dominated branches
- father's quota is not long enough to produce equal sharing of childcare responsibilities.
- .



Children born and men on leave in Finland 1980-2017



(Short) paternity leave (home together)

”Everyman’s mass movement” regardless of socio-economic status.

Full three weeks taken more often by

- first-time fathers
- students
- self-employed

Positive correlation between 3w paternity leave and marital satisfaction:

- mutual respect and understanding (fathers)
- division of labour in childcare (mothers)



Parental leave/father's month (home alone)

Fathers are more likely to take parental leave when

- his spouse is highly educated & white-collar
- his first child is born
- he is employed in the public sector
- he would like to take a break from employment
(not necessarily communicated to the spouse)

Family economy is often reported as an obstacle (based on assumptions rather than calculations).

Conceptions of separate, gendered parental responsibilities have a negative correlation with father's take-up of parental leave.

- Mothers: shared breadwinning + mothercare
- Fathers: shared childcare + male breadwinning



Fathers who do not take any form of leave

- Approximately 20 % of fathers
- Register-based information about 'non-users' (Saarikallio-Torp & Haataja 2016)
 - more often without vocational education
 - unemployed, students or entrepreneurs
 - belonged to the lowest income decile
- Parental leave survey 2013 (Salmi & Närvi 2017): non-use more typical among
 - Entrepreneurs, low household income, child's mother not having a job

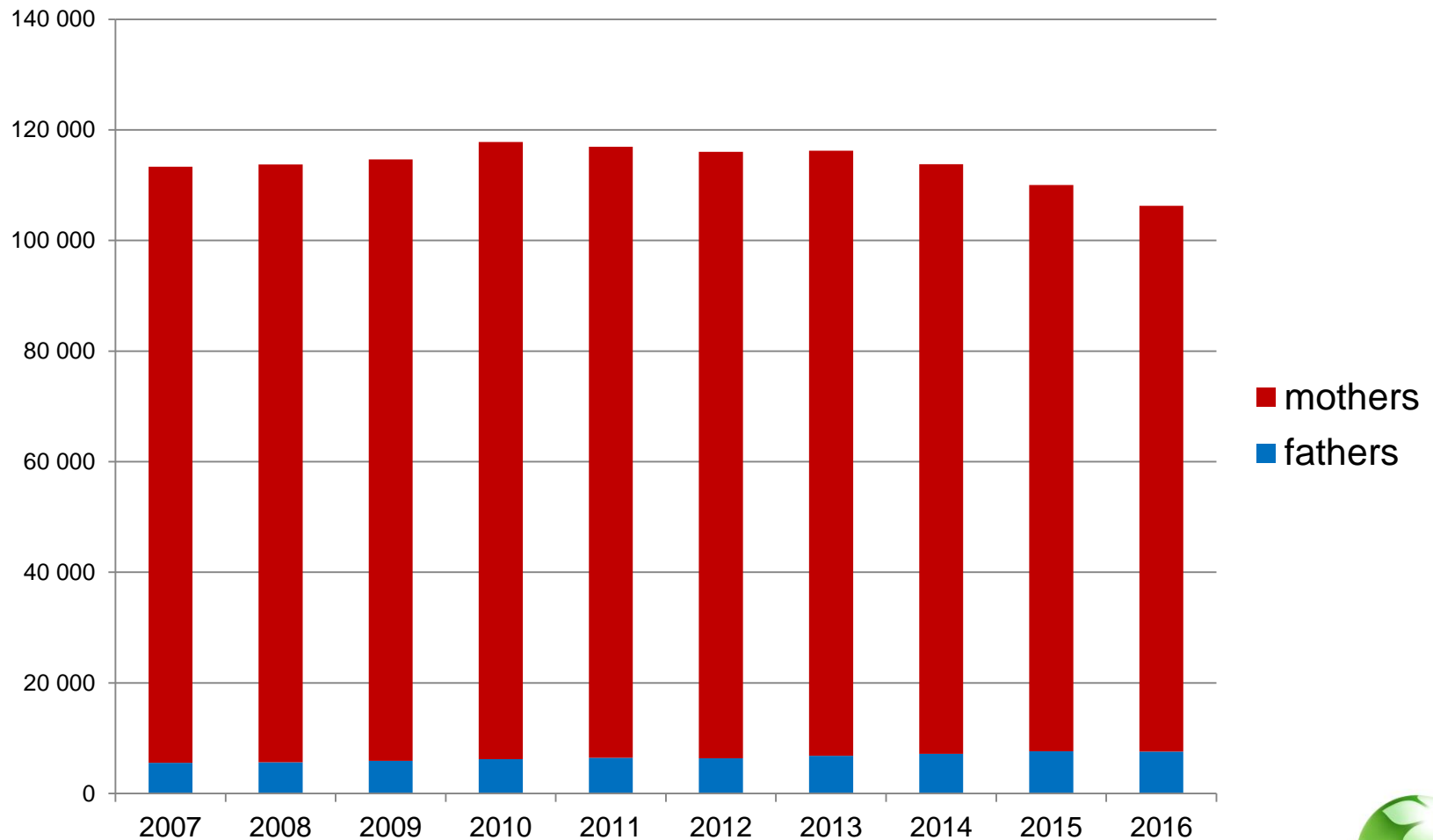


Take-up of Home care allowance

- A majority (87 %) of families use the HCA at least for some time after parental leave. HCA recipients are mainly (93 %) mothers.
- The proportion taking **long** HCA periods (24+ months) **declined** from 25 % in 2003 to 15 % in 2013 while the proportion taking 1-6 months rose from 26 to 30 %.
- Long HCA periods are taken more likely by mothers with low education level and precarious position in the labour market.
- HCA is taken by the father more likely if the mother has a high employment status and a high income.
- One in four children in home care supported by the HCA are older than three years of age (siblings).



Recipients of home care allowance in Finland 2007-2016



Policy discussions

- The present government's programme from 2015 did not include plans for parental leave reform.
- During 2016–2017, six political parties and three central labour market organisations presented their **reform models**.
- In response to the political pressure, the government decided to start **preparing a reform** in autumn 2017.
- The **preconditions** set by the government for reform were partly contradictory: a rise in ECEC participation rate, but no additional costs to public economy; a rise in the employment rate but maintaining the possibility to home care until a child turns three.
- Two models with a longer father's quota, a shorter transferable parental leave and a cut to home care allowance were on the table.
- Preparations for reform were **broken off** in February 2018 as calculations showed that there would be only a small increase in the employment rate for mothers, and the financial consequences would hit families in a weaker socioeconomic position.



Taking family diversity into account

In its planning meeting for the 2019 budget in April 2018, the government decided to propose

- a 13 per cent rise to the **minimum** flat-rate allowance for parental benefits;
- a lengthening of parental benefit days to 233 days for **adoptive** parents;
- an extension of the entitlement to all who adopt a child under 18 years of age;
- and for **multiple births**, an additional 18 days of paternity benefit for each additional child.



Conclusions

- Leave policies are more successful in promoting gender equality among white-collar population as the gendered take-up of leave is intertwined with **socio-economic position**: among highly educated couples there is more take-up of long paternity leave periods, more sharing of parental leave between parents and shorter HCA periods by mothers.
- “Use it or lose it” –quotas have increased the take-up of leave by fathers and there is a wide consensus about the **need of a longer father’s quota**.
- Current plans for leave policy changes take better into account **family diversity** but do not promote gender equality.
- Parental leave reform remains a challenge for the next government (parliamentary elections coming in spring 2019).

