Assessing policy changes in Austria: more fathers, more gender equality?

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Parental leave system in Austria

- Benefit (*Childcare allowance*) decoupled from employment (*Parental leave*)
- Different legal entitlements: for *all* VERSUS for *employed* parents
- Aiming to increase freedom of choice since 2008
- Reform 2017





Political goals

- (1) Better reconciliation of family and employment through more flexibility in the flat-rate 'account' model
- (2) Higher involvement of fathers through family time and partner bonus
- (3) Financial improvement for lone parents through longer entitlement and higher income threshold
- (4) Positive long-term effects for *labour force participation of mothers* and for *gender equality*





Current policies

Maternity leave

8 weeks before the expected due date and 8 to 12 weeks after

Parental leave

Until the child reaches two years. This entitlement is per family.

Childcare allowance, income-related:

- 80% replacement, €12,000 min. (for <u>one parent and 12 months</u>) up to €28,000 (<u>if shared for 14 months</u>)
- Additional earnings may not exceed €6,800 a year





Current policies (since March 2017)

New: Childcare allowance 'account'

- until 2017: flat-rate, monthly basis: 12+2, 15+3, 20+4, 30+6 months
- *New*: daily basis → 487 different options
- 365 to 851 days with €12,400 in total if taken by <u>one parent</u>
- 456 to 1063 days with €15.500 in total <u>if shared</u> at least 80/20
- Additional earnings of **up to €16,200 a year** (~ €1,300/month)





Current policies (since March 2017)

New: Family time (Familienzeit)

- Full-time leave period for fathers between 28 and 31 days within 91 calendar days after the birth of the child
- Legal claim
- Bonus of €700

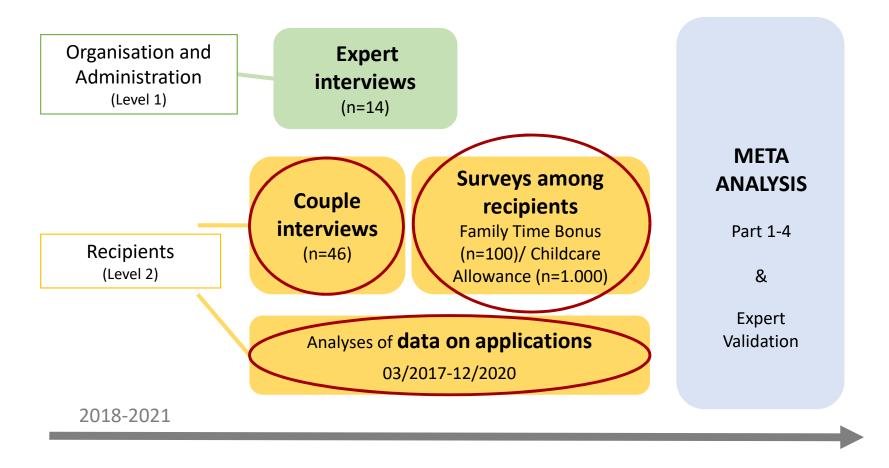
New: Partner bonus

- if shared at least 40/60
- Bonus of €1,000





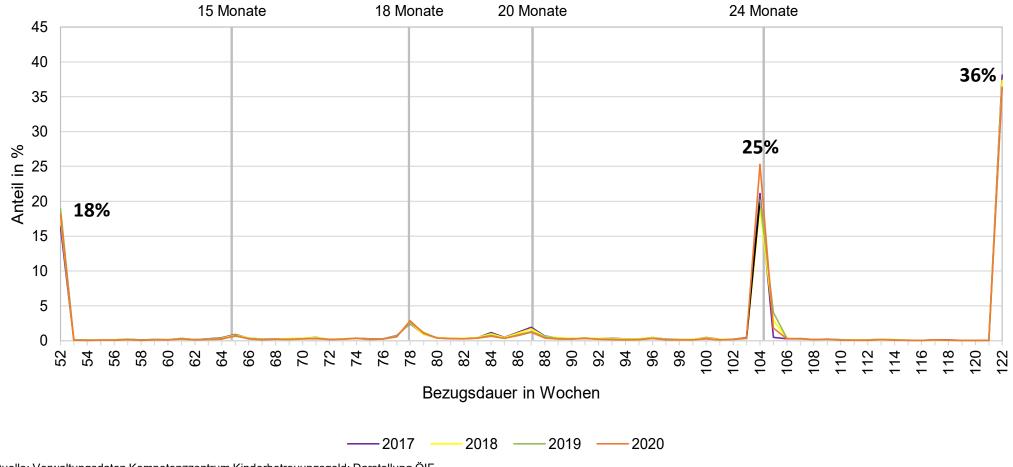
Evaluation of Childcare Allowance and Family Time







Results: Goals achieved?



Quelle: Verwaltungsdaten Kompetenzzentrum Kinderbetreuungsgeld; Darstellung ÖIF



Results: Goals achieved?

	Original state	Target state	Actual state
Share of fathers / in total	18.8%	-	17%
Share of fathers / account model	14.2%	30 %	11.4 % (2017)
Share of fathers/ income-related	31.2%	-	29.7% (2017)

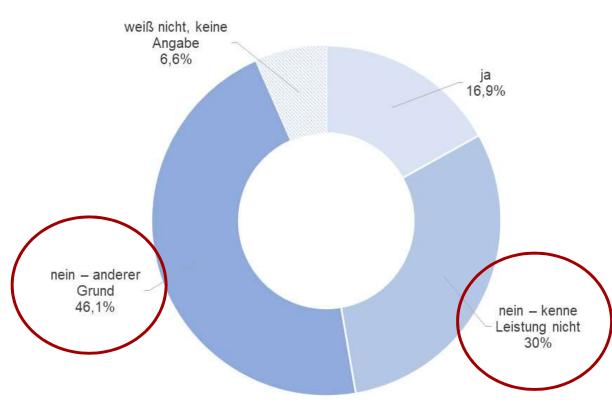
Partner bonus (in % of CA)	-	3 %	1.3 % (2017)
Family time (per year)	-	32,800	6,000 (2020)





Results: Why not?





Data: Survey among parents

- →Family time is not familiar to fathers/parents. → 30%
- →They could not completely interrupt their employment – the precondition for drawing family time bonus.
- → The bonus is relatively low (€700).
- →They planned to claim childcare allowance that would be reduced by the family time bonus of €700.





Data: Survey among parents

- the mother wanted to take over childcare herself ightarrow 67%
- professional disadvantages for the partner would be too great \rightarrow 57%
- it would not be possible financially \rightarrow 53%
- employer would not agree to a parental leave \rightarrow 42%
- there is no reason as the father is a lot at home anyway ightarrow 29%
- they have claimed family time already \rightarrow 12%





Data: In-depth interviews with 22 parental couples

- Case 1: account model, 12 months mother only
- Case 2: income-related model, 12 months mother/2 months father





Data: In-depth interviews with 22 parental couples

Case 1: account model, 12 months mother only

→mother resumes employment after 6 months, father reduces employment, both work part-time (30 hrs) after 12 months

"It is simply very good for oneself, but also for the partnership, because it is absolutely clear that it is not like, you have this and I have that and everybody can kind of weasel out of it somehow." (M4, Pos. 22)

"We both wanted time for our kids and an interesting job." (W4, Pos. 71)





Data: In-depth interviews with 22 parental couples

Case 2: income-related model, 12 months mother/2 months father

→mother unpaid holidays during his 2 months, unpaid open-end leave again afterwards, modified male breadwinner-model in the long run

"It was never the plan, that I stay at home for a year or a half, but these two months were super. This fit very well. I wouldn't have wanted to be on leave longer, but these two months were exactly sufficient." (M11, Pos. 17)

"For me it was clear, that I will be at home for two years anyway. [...] I would have had the possibility to work again for two months, during his time at home but I was advised, to stay at home unpaid as well." (W11, Pos. 48).

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Conclusions

\rightarrow no higher shares of fathers in childcare allowance

- Gender-neutral parental leave
- Highly flexible childcare allowance
- Asymmetric design
- Family time low paid
- Partner bonus low-paid
- \rightarrow no increase in gender equality to be expected
- \rightarrow high relevance of couples shared (or not shared) gender ideologies





Questions? Remarks?

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Sources

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