Trends in the take-up of parental leave in Finland: Slow progress in fathers' leave take-up despite several reforms

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LeaveNetwork 16.-17.9.2021 Helsinki

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Parental leave reforms in 2010s in Finland: focus on fathers

- During past 10-15 years several reforms and changes in parental leave regulations. In most cases the focus has been on fathers: implementing measures to increase fathers' participation.
- Finnish fathers gained a non-transferable parental leave quota (Father's quota) in 2003. To be able to use the quota, a father had to use last two weeks of the shared parental leave (e.g. a mother had to be willing to transfer 2wk of the shared parental leave to the father).
- Since then, several reforms have been introduced in father's designated leaves. In 2007, flexibility
 of the quota use was increased (can be postponed until the child is 18 mths old). In 2010, quota
 was extended by 2 weeks (4 weeks -> 6 weeks).
- In 2013, the link between shared parental leave and quota was abolished (mother's consent was no longer required), birth-related paternity leave and father's quota were combined into one leave ("new paternity leave", total duration 9 wk), and flexibility was increased (until child turns 2 yrs).
- The aim of the reforms has been to increase gender equality via more egalitarian sharing of parental leaves, using non-transferable leaves for fathers to achieve this.

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Parental leave reforms in 2010s in Finland: what effects?

- How has fathers' use of parental leaves developed over time & in response to reforms? Which policies have been effective in increasing fathers' participation and supporting a more gender-equal division of parental leaves?
- Which groups have benefited from the reforms?



Parental leave reforms and fathers' use of parental leaves

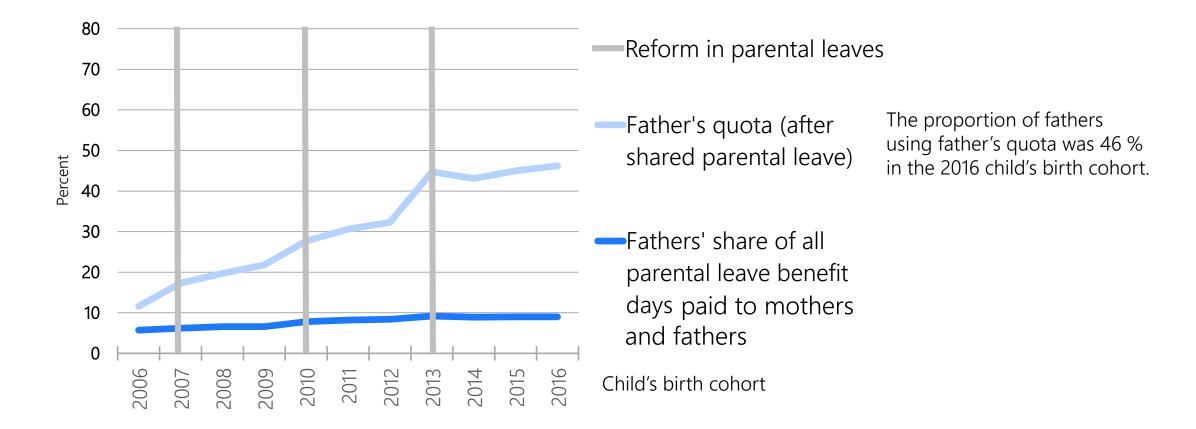
C = "control group", parental leave benefit days started <1mth before reform T = "treatment group", parental leave benefit days started <1mth after reform

Fathers' use of father's quota (FQ) and parental leaves	2007: FQ flexibility increased (postponed until child 18 mths)		2010: FQ length increased 4 wk -> 6 wk		2013: FQ: Mother's consent no longer required; flexibility increased (until child 2 yrs), birth-related leave and FQ combined into "new paternity leave" (total dur. 9 w)	
	С	Т	С	Т	С	Т
% using FQ	10 %	16 %	24 %	23 %	33 %	44 %
FQ days (mean), if FQ days>0	23.5	23.3	23.2	32.0	32.5	31.5
% using FQ days 22+/34+ if FQ days>0	95 %	92 %	91 %	68 %	74 %	63 %
% not using any parental leave	27 %	25 %	26 %	25 %	24 %	24 %

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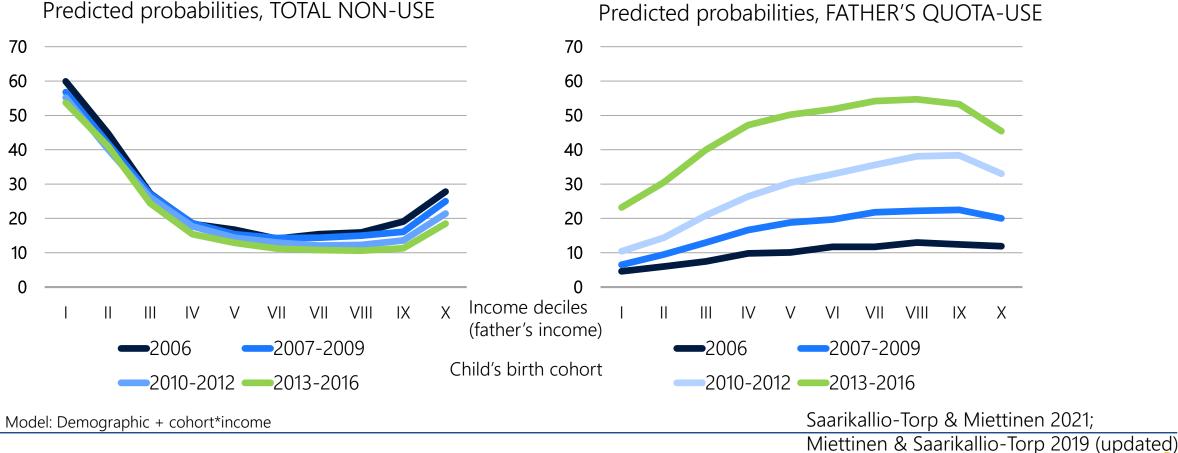
Father's using father's quota (% of all fathers), and father's share of all parental leave benefit days





Income gradient: what effects, which reforms?

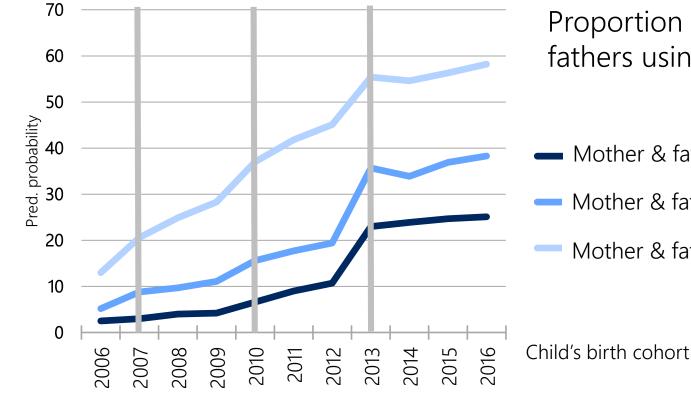
Fathers not using any parental leave (TOTAL NON-USE) and fathers using father's quota (QUOTA-USE) by income deciles and child's birth cohort (reflects changes in leave policy)



Predicted probabilities, FATHER'S QUOTA-USE

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Only for the highly educated parents? Fathers' use of designated leave by maternal and paternal education



Proportion (pred.prob) of fathers using father's quota

- Mother & father: low (lower sec) (7 % of all families in 2016 cohort)
- Mother & father: middle (upper sec) (27 % all families in 2016 coh.)
- Mother & father: high (tertiary) (25 % of all families in 2016 coh.)

Model: Demographic + cohort*educomb





To conclude & for discussion

- A possibility to use the quota more flexibly (postpone taking the leave) appeared to slightly increase the proportion of fathers using designated leave (in 2007).
- Increasing the length of the quota seems to have almost no effect on the proportion of fathers using the quota (in 2010). In addition, the share of fathers who do not use all quota days has increased. (In 2016, 60 % of fathers using father's quota used all available days).
- In 2013, the largest changes (in relative terms) in those groups which previously were the least likely to use father's quota: low-income, less-educated, or unemployed fathers. It could be that the (pre-reform) requirement to transfer a part of shared parental leave to the father was not attractive to mothers if the use of father's quota could not be guaranteed (due to father's unemployment or insecure employment situation).
- Reforms in father's quota have not markedly affected the division of all parental leave (benefit) days between mothers and fathers: Finnish fathers use about 11 % of all parental leave days.
- Reforms have also resulted in unanticipated effects: disparities between families in average length of well-paid leave have increased. (In highly educated families each parent is more likely to use maximum number of available parental leave days).





Thank you!

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