



REGERINGSKANSLIET

Memorandum

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**Ministry of Integration and Gender
Equality Sweden**

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A short presentation of the parental benefit system in Sweden at a Public hearing on maternity, paternity and parental leaves arranged by the European Parliament, Committee on Women's Rights and Gender Equality in Brussels on 19th February 2009

Working life balance is a value that we have in common in Europe. This is something we need to preserve and improve, although the means to do so may differ from one country to another.

Several countries, including Sweden, have seen that measures such as parental insurance, childcare services and individual taxation can result in the fortunate combination of higher birth rates **and** high rates of employment among women. These measures will also have positive effects on gender equality, for example financial equality in the family and equality on the labour market.

Initiatives to strengthen EU legislation aiming to facilitate for both women and men to combine work, family- and private life are therefore important, for example the current proposal for a Directive, amending the Directive 92/85/EEC. Within an EU legal framework on reconciling work, family- and private life, member states with generous and well-functioning systems of

parental-leave, remuneration and working environment must be able to keep their existing systems. In order to promote equality on the labour market it is important that parental leave is flexible so that women can go back to work after giving birth whenever they want and that men are entitled to parental leave also when the child is very young. Compulsory leave for only the mother can lead to negative effects from an equality point of view.

I will share with you some experience from Sweden.

Sweden has a flexible parental leave legislation and a generous parental insurance that gives both parents the opportunity to stay at home with the child during the first year. We also have a flexible and affordable childcare that combines education and care and that will support parents to be able to combine family life with work.

The parental leave legislation gives parents the right to **full-time leave from work until the child is 18 months** old or as long as she/he is paid parental benefit. It is possible to choose between a full day's leave, three quarters, half, one quarter or one-eights (i.e. one hour) of a day's leave.

All parents with children up to 8 years of age are also entitled to a **reduction of the normal working hours** by up to one quarter.

The parental insurance was first introduced in 1974. It replaced a maternity insurance and gave men the right to paid leave so that

they could take care of their small children on the same terms as women.

Parental insurance consists of

- pregnancy benefit
- parental benefit in connection with childbirth or adoption
- temporary parental benefit

Today, the **parental benefit** is available for a period of **16 months**.

- 13 months are given at 80 percent of the previous income up to a ceiling of around 3400 EUR per month. It is however not uncommon that employers fill out the parental benefits to a higher rate (according to collective agreements).
- 3 months are given at a flat rate of approximately 20 EUR per day.

The benefit can be claimed up to when the child is 8 years old.

The benefit days are distributed equally between the parents, **8 months each**. The parents are however free to transfer the days between themselves, with the exception of **2 months that are reserved for each parent**. These 2 months per parent will be lost if they are not claimed. This non-transferable quota was first introduced in 1995 with one month for each parent, and in 2002 it was extended to 2 months per parent.

Apart from the paid parental leave, **all fathers are entitled to 10 days** of paid leave in connection to the childbirth. This is an

opportunity that is used by practically all fathers.

The Swedish parental insurance also includes **a temporary parental benefit** of 120 days of paid leave per year. This benefit is given to parents who stay at home to take care of a sick child up to 12 years old. (Around 40 % of the fathers make use of this benefit.)

Returning now to the ordinary parental benefits. Practically all Swedish families with children claim their paid leave, and they make use of the major part of the benefit days available. The take up of paid leave is however far from equally distributed between the parents.

Fathers' take up of parental leave has increased significantly since the parental leave was introduced in 1974. At that time, fathers claimed only a half percent of the benefit days available. **In 2007, 20,8 % of the available benefit days were paid to fathers.** Approximately 10 % of the fathers do not make use of their parental benefits at all.

Since the introduction of the second reserved month in 2002, 43 % of the fathers had used their 2 months benefit days when the child was four years old. It can also be observed that after the introduction of the second reserved month, fewer fathers use less than one month of the paid leave and the number of fathers using more than two months has increased.

One way to explain the increase of fathers taking up more benefit

days could be that men do as their fellows do in the same situation. If it was enough to use one month before, it is nowadays required to use more days to be considered as a present and active father to their children.

What we can see is that quoted **periods of paid leave has the effect of raising fathers' take up of parental leave.**

The Swedish government is currently reforming family policies aiming to improve the conditions for women and men to take an active and equal responsibility for parenthood, without taking away the families autonomy over their situation.

One of the first initiatives is the introduction of a **gender equality bonus**. It aims to promote equal sharing between the mother and the father of paid parental leave, but it also aims to increase gender equality on the labour market. The bonus is a tax relief of a maximum of 300 EUR per month that is paid to parents who share their paid parental leave equally and it is gradually reduced when the sharing becomes unequal. (It stimulates the mother - who normally would use the larger part of the paid parental leave - to return to the labour market.)

Another initiative is the introduction of an opportunity for municipalities to **grant parents a child raising allowance**, which can be paid for a child up to three years old when the child is **not enrolled in public childcare services**. The allowance is maximum 300EUR/month. The allowance can be granted for part-time in order to allow the child to share the time between care in

the home and with the child care services. It can also be shared between the parents.

Gender equality in parenthood, allowing both parents to combine working life with family life, as well as an increased freedom for parents to choose the care of their children is a priority for the Swedish government.