

# Practices on the Swedish labour market and parental leave legislation

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## Outline of presentation

- National parental leave policy
- Labor market legislation-protection during leave
- Collective agreements
- Outcomes on parental leave use
- Issues with the Swedish approach



#### **Parental Benefit**

#### Introduced 1974



#### Goals:

- Combine family and working life
- Shared responsibility of child raising
- Gender equality
- Children's right to both parents



### **Parental Benefit**

- 240 days for each parent 480 per child
- 90 days non-transferable
- 390 days income related, 77,6%
- 90 days flat rate
- Time frame: 12 years
- Flexibility full / part time



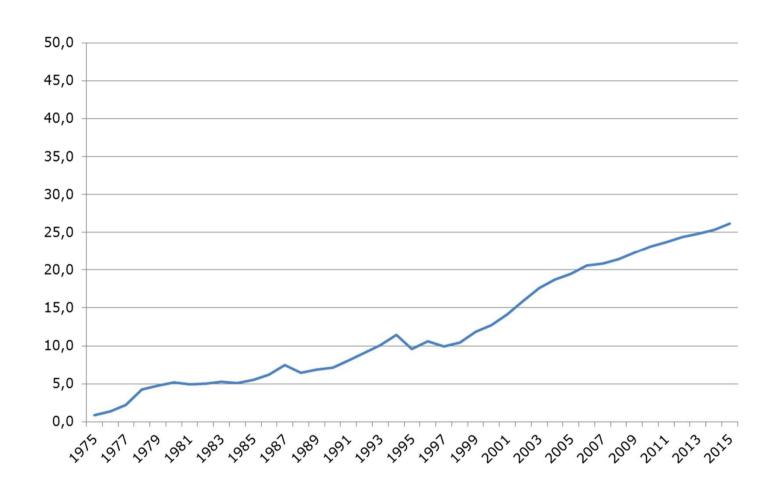


## **Special measures to increase fathers' leave use**

- Reserved months (1995, 2002, 2016)
- Gender equality bonus (2008)
- Increased ceiling (2006)
- Extend leave length (?)
- Individualised leave (1995)

## Fathers' share of the parental leave benefit 1974-2015







## Parental leave days used first 24 months

	1st reserved month		2nd reserved month		Gender equality bonus	
	Before	After	Before	After	Before	After
Men	25.3	35.0	40.7	47.1	52.2	51.5
Women	319.6	293.6	271.1	278.0	256.6	256.3



## Swedish approach to men's parental leave use and the labour market

 Rights through legislation and agreements, rarely individual

#### Right to:

- Protected leave
- Reduced work hours
- Temporary parental leave when sick child
- Collective agreements



### **Protected parental leave**

- Right to leave, with or without pay 18 months and always when paid
- Right to come back to same/similar position
- Right to be part of wage negotiations and not 'fall behind'
- Right to keep employment

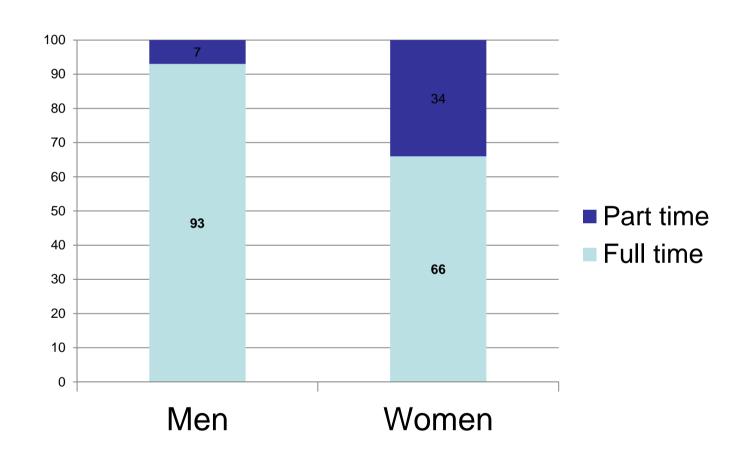


### **Reduced work hours**

- Right to reduce work hours to 75 percent of normal hours with equivalent decrease in wage
- To child is 8 years old
- Used mainly by women

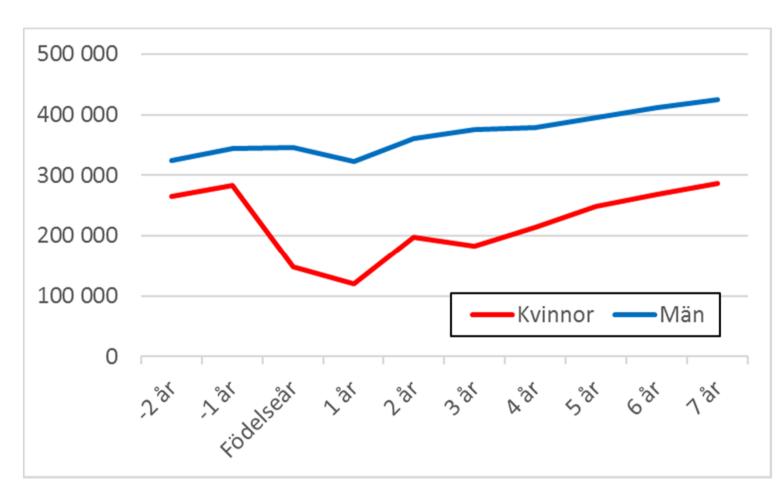


## **Employed parents working hours**



## Income for men and women 2 years before to 7 years after first child







## **Temporary Parental Benefit**

- Sick children 0-12 years
- 120 days
- Income related compensation
- 10 days newborn
- Usually 2-3 years old child average 6 days/year
- 36 % days used by men



## **Collective agreements**

- Cover almost all employed parents
- By sector and by industry in private sector
- More generous and higher coverage over time
- By negotiations and has been more generous in typical female industries than male historically



#### **State sector**

- To all employed
- 10 % extra and 90% coverage over ceiling
- For 360 days
- Also coverage over ceiling for temporary parental benefit



## **Municipality and county**

- To employed minimum one year
- For 150 days
- 10 % of whole wage, and 77,6% over ceiling



#### **Private sector**

- Blue-collar worked often only comensated under ceiling and white-collar also above ceiling
- Longer compensation periods for white collar
- Change over time
  - -less often requirement return to same job
  - -more often not just pregnancy benefits

### Examples, private sector



#### **Mining industry**

- To employed for one year
- Compensation during 2-5 months depending on years in employment
- Compensated 10% and 90% over ceiling

#### **Sales personnel**

- Employed one year
- Use during child's first 18 months
- Compensation during 1-2 months depending on years in employment
- Compensation 10% of wage

### Examples, private sector



#### **Building industry**

- To employed for one year
- Requirement to return to job 3 months
- Compensation during 1-2 months depending on years in employment
- Compensated 10%

#### **IT** industry

- Employed one year
- Use during child's first 24 months
- Compensation during 2-4 months depending on years in employment
- Compensation 10% and 90% up to a higher ceiling



## **Outcomes of Swedish approach**

- Most men use parental leave
- Large acceptance of leave use



## **Issues with the Swedish approach**

- Unemployed, temporary employed, students get lower compensation and use leave less
- No overview, hard to know rights
- No one has overview, but see:

National Social Insurance – not the whole picture, G. Sjögren Lindquist och E. Wadensjö, Report for ESS, Expert Group on Economic Studies, 2006:5, Stockholm (2006)

...and unpublished manuscript (Sjögren Lindquist)