

SGI Sustainable
Governance
Indicators

2014 Families Report

Family Policy



Indicator

Family Policy

Question

To what extent do family support policies enable women to combine parenting with participation in the labor market?

41 OECD and EU countries are sorted according to their performance on a scale from 10 (best) to 1 (lowest). This scale is tied to four qualitative evaluation levels.

- 10-9 = Family support policies effectively enable women to combine parenting with employment.
- 8-6 = Family support policies provide some support for women who want to combine parenting and employment.
- 5-3 = Family support policies provide only few opportunities for women who want to combine parenting and employment.
- 2-1 = Family support policies force most women to opt for either parenting or employment.

France

Score 10

There is a long and consensual tradition of support for families, going back to the 1930s. The policy mix which has developed since then has been successful in providing child care, financial support, parental leave and generous fiscal policies (income is not taxed individually but in each family unit, dividing up the total income by the number of people in a family). In addition, families using the child care support at home benefit from rebates on the social costs involved. These policies have been effective. Not only is the birth rate in France one of the highest in Europe, but also the percentage of women integrated in the labor market compares favorably to the European leaders (Scandinavian countries) in this domain.

Sweden

Score 10

Sweden has been politically and economically committed to strong family policy for the past 50 years. Major features of Sweden's policy have been the separation of spouses' income and individual taxation, the expansion of public and private day-care centers and a very generous parental leave program provided to both women and men, which has created much better possibilities to combine a professional career with parenthood.

The basic structure of family policy remains in place, but some small changes have taken place. The current government has launched a new program, which serves as an alternative to the parental leave program. The

program offers a subsidy (“vårnadsbidrag”) to parents who prefer to stay at home with children rather than place them in day care centers. The government argues that this program empowers parents to decide for themselves how to best organize their family with pre-school age children. The opposition is critical of the program, however, arguing that it effectively confines the mother to stay at home and look after the children. Because local governments provide the program, an overall evaluation of it is difficult. But some data suggest that only a small percentage of Swedish parents are using on the subsidy. Hence, it appears the overall majority is still using the broad supply of public as well as private child-care facilities.

Denmark

Score 9

Denmark scores well on family policy in international comparisons. The country’s system of day care centers, preschools and kindergartens allow sufficient flexibility for both parents to work. Indeed, female employment in Denmark is among the highest in OECD countries. Comparative research also shows that men in Nordic countries do more household work than men in many other countries. The system of parental leave, in connection with childbirth, is relatively generous and men also have parental leave rights.

It is not just the government, including municipalities, that are in charge of day care facilities, which contribute to better family policy. Social parties and business play a role too.

The great majority of children attend day care facilities in Denmark. In 2010, 78% of 0-2 year old children were in day care, putting Denmark on a clear first place among OECD countries, well ahead of Sweden with 51%. Ninety percent of children aged 3-5 attended some kind of preschool institution, which put Denmark in 11th place among OECD countries in this category. There is a user payment (means tested) for day care, but the system is tax subsidized. Danes regard day care and preschool facilities as an indispensable public service. There has been a large increase in the number of preschools in recent years.

Discussions about Danish family policy do take place. The aim of Denmark’s policy is obviously to allow women to work. For many women, returning to work is a financial necessity, and many women want to have a career. Others would rather take care of their small children for years, which might actually not be bad for the children, but few actually do so.

Citation:

“Vi må have en ny familiepolitik,” <http://politiken.dk/debat/debatindlaeg/ECE1835524/vi-maa-have-en-ny-familiepolitik/> (accessed 19 April 2013)

Estonia

Score 9

Estonia inherited a tradition of double breadwinner families from Soviet times, when mothers typically worked full time. Despite huge social changes, this family pattern has continued, as evidenced by the high female employment rate. In the 2000s, family policy has been high on the political agenda, initially because of low fertility and later because of labor market needs. Estonia has one of the most generous parental benefit systems in the OECD, entitling parents to benefits equal to her/his previous salary for 435 days. The generosity of the benefit and shortage of daycare facilities in urban areas for children aged 0-2 explain why childcare density in this age group is relatively low. However, this indicator is increasing year by year. Parents are allowed to work until a certain limit without losing benefits, which facilitates combining professional and family life. In families with preschool or young school age children, it is very common for mothers to work full time. In recent years, various part-time and flex-time work options, that provide more choices for families to manage their everyday lives, have spread significantly.

Finland

Score 9

Family policy in Finland aims programmatically at creating a secure growing environment for children and safeguarding the physical and mental resources of parents to rear children. While certainly in parts successful – child poverty has practically been eradicated in Finland – child care policies, a mix of different kinds of public support, still remain to some extent problematic in relation to gender equality. As female employment is high and the fertility rate has increased, family policies have not been able to fully solve the challenge of combining parenting and employment. In practice, child care responsibilities still fall to women, and mothers opt for part-time employment more often than do fathers. Also, Finnish women tend to leave the labor market after having a child for a longer period than do women in other countries. Optimistically, however, evidence has shown that thinking that is centered on the family is growing among Finnish adults, and that within Finnish culture, the family has become more important for the individual.

Citation:

Katja Repo, "The Contradiction of Finnish Childcare Policies", <http://www.reassess.no/reassessassets/20608/20608/ppt#256.1>

Iceland

Score 9

Icelandic family policy has long supported women's participation in the labor force. In a comparative perspective, Iceland has long had among the world's highest rates of labor-market participation by women, showing a stable rate of between 75% and 80% since 1991. The government's family policy has encouraged men and women to share the burden of child rearing. For example, in 2005, almost 90% of eligible fathers used their right to take a three-month parental leave. As a consequence of the collapse in 2008, and as a part of the ensuing economic crisis, maximum state payments during parental leave were reduced significantly from ISK 535,000 in 2008 to ISK 300,000 ISK in 2010. This was raised to ISK 350,000 in 2013, still 35% below the pre-collapse level.

Average wages for men in Iceland earn higher wages than women, a factor that has tended to discourage men from taking parental leave in the post-crisis era.

Citation:

Women and men in Iceland 2013. The Centre for Gender Equality (Jafnréttisstofa).

Luxembourg

Score 9

Luxembourg's corporatist welfare regime has gradually evolved over the years to a more universal system with a high degree of defamilialization. One indicator is the shift from a predominant transfer system to transfer and service system, with specific provisions for children and the elderly. Luxembourg has positively responded to its changing demographics by adapting family policy measures. In this context, the government has pushed for policy to offer a wide range of child-rearing allowances and child-care services, such as child benefits, maternity leave, parental leave, birth and post-birth allowances. Furthermore, indirect help is also offered, such as subsidized mortgage interest rates depending on the number of children in the home. In general, Luxembourg offers the highest child benefits within the European Union. Luxembourg through its evolved child care provisions has considerably improved the labor market involvement of women, and is one of four leading member states in terms of offering a full "family benefit package."

When compared internationally, Luxembourg's tax policy is family-friendly. Women's labor market participation has increased considerably since the launch of the European Employment Strategy. In parallel, the government has invested in child care facilities to increase the female employment rate.

This contains also sustainable improvements in family-friendly workplace arrangements. Gender-based job segmentation and the gender pay gap, while still existing, have decreased.

In general female participation in the workforce is still low. The OECD and the European Commission have pointed out that Luxembourg's low female employment rate (61.9% in 2011) ranks it 16th in the EU-27.

Luxembourg's public child care institutions include the "maisons relais" or general daycare centers (initially a Social Fund project, which has since been mainstreamed); the "education précoce," a third pre-school year (initially also a project of a migrants' lobby organization, that also has been mainstreamed); and "foyers de jour," or after-school centers. As of 2012, public child care provisions were available for 42,582 places for children aged three months to 12 years (or 47.4% of children aged 0 to 14 years) as opposed to 7,712 places in 2009 (or 8.7% of children aged 0 to 14 years). Thus European employment policies have given the system in Luxembourg a significant push toward offering more general child care provisions.

Citation:

Bradshaw, J., Finch, N. (no year), A Comparison of Child Benefit Packages in 22 Countries, Department for Work and Pensions Research Report no. 174:

<http://research.dwp.gov.uk/asd/asd5/174summ.pdf>

Guastalli, E., Lejealle, B., Vanni, L. (2010), Les femmes et les hommes sur le marché de l'emploi, Luxembourg: MEGA (CEPS/INSTEAD): www.mega.public.lu/publications/1_brochures

/2011/femmes_et_hommes_marche_emploi/Les_femmes_et_les_hommes_sur_le_marche_de_l_emploi.pdf

Guastalli, E., Lejealle, B., Vanni, L. (2010), footnote 135

Bousselin, A., Ray, J.-C. (2011), Participation des mères au marché du travail et disponibilité locale des services collectifs au Luxembourg, Esch/Alzette: <http://www.ceps.lu/?type=module&id=104&tmp=1683>

Meulders, D., Plasman, R., Vander Stricht, V. (1992), La place des femmes sur le marché du travail, Luxembourg: Les cahiers de femmes d'Europe, N° 36

Moss, P. (1988), Childcare and equality of opportunity, consolidated report to the European Commission: http://ec.europa.eu/employment_social/empl_portal/SSRinEU/Your%20social%20security%20rights%20in%20Luxembourg_en.pdf

<http://epp.eurostat.ec.europa.eu/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tsdec420&language=de>

http://ec.europa.eu/europe2020/pdf/themes/23_labour_market_participation_of_women.pdf

http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Fertility_statistics

http://www.mfi.public.lu/publications/rapports-activite/rapp_act_2012.pdf

European Commission (2012), Employment, Social Affairs & Inclusion: <http://ec.europa.eu/social/main.jsp?langId=en&catId=101>

Netherlands

Score 9

Family policy in the Netherlands is characterized by the need to recognize a child's best interests and to provide support for the family and the development of parenting skills. Work-family balance is less of a policy principle. All Dutch families receive child allowance depending on the number of children. Daycare centers for young children are not directly subsidized, but parents face steeply increasing transaction costs based on higher

contributions for higher taxable income. The government established an extensive system of child protection through its policy of municipally based “close to home” Youth and Family Centers (almost all of which were operating in 2012), tasked with establishing a system of digital information on every child related to parenting, education and health. In recent years there were several scandals involving the death of very young children due to undetected parental abuse missed by uncoordinated and/or belated intervention by youth care organizations. From January 2009 on, parental leave was extended from 13 to 16 weeks. In the case of divorce, parents are obliged to submit a parenting plan to the court with agreements on the division of child care tasks. According to the OECD, around two thirds of Dutch working women (also those with higher-level education attainment) choose part-time jobs, which brought down the country’s average working time to one of the lowest in the OECD. Full-time female participation is hindered mainly by a high marginal effective tax burden on second earners, reflecting the withdrawal of social benefits according to family income.

Citation:

Netherlands Youth Institute (2012), Youth Policy in the Netherlands. Family and parenting support (www.youthpolicy/yp/Youth-Policy)

Additional references:

<http://www.rijksoverheid.nl/onderwerpen/vrouwenemancipatie/arbeidsparticipatie-van-vrouwen>

<http://www.rijksoverheid.nl/nieuws/2013/03/05/arbeidsparticipatie-ouders-met-jonge-kinderen-redelijk-stabiel-in-2012.html>

<http://www.elsevier.nl/Carriere/blogs/2013/5/Minister-Bussemaaker-heeft-gelijk-eigen-carriere-is-goed-voor-een-vrouw-1252837W/>

<http://www.cbs.nl/nl-NL/menu/themas/arbeid-sociale-zekerheid/publicaties/arbeidsmarkt-vogelvlucht/structuur-arbeidsmarkt/2006-arbeidsmarkt-vv-participatie-art.htm>

<http://www.cpb.nl/publicatie/ex-post-analyse-effect-kinderopvangtoeslag-op-arbeidsparticipatie>

Norway

Score 9

The labor-market participation rate for women in Norway is among the highest in the world; at above 70%, it is only slightly lower than the male participation rate. However, there is clear gender segregation in the labor market, with much of the increase in women’s employment rates coming in the form of public sector and/or part-time jobs. The fertility rate is close to two children per woman, just below the replacement rate. As such, it ranks among the highest such rates in Europe.

The country’s family policy is oriented toward promoting equal opportunity and an equitable representation of women in leadership positions, particularly in political and business settings. There is a 12-month maternal/paternal leave program that provides parents with 80% of their salary. Six of the weeks are reserved for the father. These reforms have increased paternal involvement in the first years of children’s lives (about 90% of fathers now take these six weeks).

Government policy treats married and nonmarried couples in a nondiscriminatory way. For example, tax declarations for labor income are filed individually, irrespective of whether a citizen is married or not. Informal cohabitation, as compared to formal marriage, is widespread. Almost all new unions start in informal cohabitation, and about half of children are born to unmarried parents. About one in 10 children are born to single mothers, and institutional support for these women (e.g., the provision of day care and cash transfers) is stronger than in most countries.

Belgium

Score 8

Childcare for children below the age of three in Belgium is rationed, especially in urban areas, but the country is still a good performer in this regard. Essentially free public schooling is available for children after the age of three; childcare is essentially available from 7:30 a.m. until 6 p.m. daily.

Subsidies per child (allocations familiale) are low for the first two children, but personal income taxes are lower for households with children, and subsidies per child are much higher from the third child onwards.

The main hurdle is however the high implicit tax rates on low-wage earners, which effectively creates a substantial hurdle for low-qualified second earners in a couple (typically women). Official statistics show that the women's activity rate is only 5 points below the men's rate for those highly educated, but a full 18 points (35% instead of 53%) lower for women with less education.

Lithuania

Score 8

Many Lithuanian families find it difficult to reconcile family and work commitments. The prevalence of poor relations, as well as frequent instances of domestic violence, divorces and single-parent families also present challenges to stable family life. The country's fertility rate is low, while the child poverty rate is relatively high. However, the employment rate among women aged 20 to 64 is relatively high, at 66.7% in 2011 as compared to 67.7% for men. The government provides some support for women seeking to combine parenting and employment, including family and social-welfare legislation (e.g., special conditions of the Labor Code applicable to families), financial assistance to families raising children (child benefits and partial housing subsidies), and social services targeted at both children and parents (including the provision of preschool education and psychiatric help for parents or children). However, access to kindergartens

and other child care facilities is still insufficient (especially in the city of Vilnius) and there is a shortage of both full-time and part-time flexible employment opportunities in the labor market.

New Zealand

Score 8

Female participation in the labor market is comparatively high. However, women have been more affected by unemployment than men following the world financial crisis. At the same time, New Zealand's fertility rate is one of the highest in the Organization for Economic Co-operation and Development (OECD) area. The government's generous family policy has contributed to this, with a number of measures enacted over recent years. However, this should not mask the fact that the participation of women in arenas beyond the workplace, including politics, is still well below that of men. Paid parental leave is funded by the government and covers loss of income for up to 14 weeks. A recent proposal in Parliament to increase the leave to 26 weeks was rejected by the government.

Despite the targeting of resources for low-income families and beneficiaries, child poverty levels remain high. Community-based efforts to provide needy children with food in schools have been supported by businesses and government initiatives.

Citation:

Household Labour Force Survey: December 2012 Quarter,
http://www.stats.govt.nz/browse_for_stats/income-and-work/employment_and_unemployment/Household_LabourForceSurvey_HOTPDec12qtr.aspx (accessed April 29, 2013).

New Zealand Census of Women's Participation 2012 (Auckland: Human Rights Commission 2012).

Slovenia

Score 8

In Slovenia, female employment is high. The employment rate for women is above the EU average; part-time work is rare among women, and, at 78.7%, the employment rate of mothers with children under six was the highest in the European Union in 2011. The reconciliation of parenting and employment is favored by a provision of child care facilities that exceeds the EU average and meets the Barcelona targets both for children under three years of age and between three and five years of age. At 105 working days, the maximum duration of maternity leave is near the European average. Fathers have a right to 90 calendar days of paternity leave, of which only 15 are paid. These paid days must be taken during the first six months of the child's life, while the remaining 75 unpaid days can be taken before the child is three years old. In 2011, paternity leave was taken up by 80.8% of fathers for the paid

period and 16.7% for the unpaid. After maternity leave expires, one parent exclusively or both parents alternately have the right to take up to 260 days of paid leave for the care and protection of the child.

United Kingdom

Score 8

The New Labour governments had a core goal of improving women's opportunities to combine parenting with participation in the labor market. The provision of childcare facilities and the extension of maternity leave in addition to the introduction of paternity leave have all contributed. While this was also an important goal for the Liberal Democrats, Conservatives have only recently adopted gender and women's rights issues to attract female voters. The coalition has largely continued along the lines of Labour government policies with additions like, for example, calls for companies to increase the number of women on their boards and the threat of quotas. The government has also pushed for more flexibility in work time. Over the last 15 years the gap in unemployment rates for women with and without children has consequently narrowed from 5.8 percentage points to just 0.8 percentage points in 2010.

Cuts in welfare spending associated with the central policy of reducing the budget deficit, however, have negatively affected some core measures, such as tax credits and welfare benefits on which women rely more than men. In particular, single mothers who statistically rely most often on social benefits have seen their situation worsened by these developments.

United States

Score 8

The United States provides significant support for families (tax benefits; short-term leave) with children for the purpose of enabling mothers to be employed outside the home. The policies have the greatest effect for poor families, especially single mothers. In the end, the United States has a relatively high rate of working mothers, and women have made significant advances into high status and high-income careers.

The Family and Medical Leave Act of 1993 requires employers with at least fifty workers to allow 12 weeks of unpaid leave for childcare – a useful benefit only for a family that can afford to forego the income. In order to make childcare more available to low- and moderate-income families, the Obama administration increased by \$2 billion support through the Child Care and Development Fund (CCDF), a block grant going to state governments. As of 2011, tax benefits for families with children included: a dependent exemption, a child tax credit, an earned-income tax credit (based on the family's number

of children), and a child and dependent care tax credit, as well as two tuition-related tax benefits for postsecondary education. As a result, child care costs as a percentage of income – net of government benefits – is lower in the United States than in most OECD countries, and for low-income, single mothers, much lower. In the period since the Republican takeover of the House, the administration has proposed additional enhancements. In his 2011 budget, Obama proposed to double the child and dependent care tax credit, which would rise to a maximum of \$6,000 per household.

Women in the United States have had advantages for combining family and work apart from support by the federal government. Some state and local programs are designed to help women make work and raising children compatible. In fact, mothers in the United States, both single and with partners, are employed at higher rates – above 75% – than in a majority of OECD countries, including France and Germany. Moreover, the United States has a high birth rate among industrial countries – close to the replacement level – with above-average fertility for native-born as well as immigrant women.

Australia

Score 7

Since the Labor government was elected in November 2007, there has been a somewhat greater emphasis on promoting employment of mothers, mainly via an increase in child care subsidies. Part-time employment nonetheless remains the dominant form of employment for women with dependent children, whether partnered or single.

A government-funded paid parental leave (PPL) scheme was introduced on 1 January 2011. Under the scheme, a primary caregiver parent who was employed at least 10 of the 13 months prior to the birth of the child is entitled to 18 weeks leave, paid at the rate of the national minimum wage (6.40 per week) as of the end of the review period). The government argues the PPL scheme promotes employment participation of women and improves the care of young children. An inquiry by the government in 2007 found that around 54% of female employees and 50% of male employees had access to some form of PPL. The government scheme will considerably expand access to PPL.

Welfare policy has increasingly encouraged or compelled mothers who are welfare recipients to take up employment. Starting in July 2006, new single-parent recipients were transferred to the unemployment benefit once the youngest child reached 8 years of age. In January 2013, this policy was applied to all recipients of Parenting Payment irrespective of when they began receiving it; in the case of partnered recipients of Parenting Payment,

transfer to the unemployment benefit occurs once the youngest child reaches 6 years of age. With unemployment benefits, single parents receive a lower level of benefits and are required to seek employment of at least 15 hours per week.

Austria

Score 7

Both the Austrian government and mainstream public opinion accepts that the model of a traditional nuclear family, defined by stable and clearly divided gender roles, cannot be seen as the reality for all families in the second decade of the 21st century. Access for married women to the labor market is not seriously disputed. Nevertheless, the provision of child care is still overwhelmingly left to families themselves, which de facto means that primary responsibility is left to mothers. Public child care centers exist, but despite some recent improvements, fail to satisfy demand fully. Child care facilities for children aged zero to two are almost completely lacking outside the capital, while facilities for children aged three to five do not always manage to serve working parents' needs. Thus, the disproportionate burden borne by women within Austrian families is seen as an aspect of de facto gender discrimination.

There is gradually growing acceptance not only of patchwork families, but also of families based on same-sex partnerships. Austrian law provides an institutional framework for such partnerships. However, these are still not called marriages, and are not yet fully equal to a heterosexual marriage.

Canada

Score 7

The labor force participation rate for women with children all under six years of age in Canada is high by international standards, suggesting that policies may have contributed to this situation. One key policy has been the increase in the child tax credit, which has reduced the barriers associated with the so-called welfare wall. In the past, when single parents, mostly women, left welfare, they lost all income benefits for their children. With the integration of the welfare system with the universal, income-tested child tax credit, there is now less disincentive to leave welfare and enter the labor market.

Canada does not have a universal child-care system, and the absence of such a system may make it more difficult for some women to combine parenting and employment. As a substitute for such a child-care system, the current government introduced the Universal Child Care program, which provides families with children under six years of age with CAD 100 per month per child on a non-income-tested basis. However, this level of

financial support would normally cover only a small proportion of child-care expenses, and hence has likely had very little effect in terms of fostering labor force participation. Indeed, the average net cost of child care in Canada is among the OECD's five highest, both as a share of the average wage and as a share of the average family income. Canada is below the OECD average in terms of participation rates in formal care and preschool participation rates for children under five years of age. As of the time of writing, the government was considering an income-splitting measure, which would significantly increase the marginal tax rates for secondary earners. Since secondary earners are still predominantly women, this measure would likely lead to reduced female labor-force participation rates for women, as they either reduced the numbers of hours worked or dropped out of the labor force entirely.

Citation:

OECD Family database [www.oecd.org/els/social/family/data base](http://www.oecd.org/els/social/family/data_base)

OECD (2011), *Doing Better for Families*, Chapter 4. Reducing barriers to parental employment, <http://www.oecd.org/social/soc/doingbetterforfamilies.htm#publication>

Germany

Score 7

For decades, family and work/care policies were largely uncontroversial in Germany. A broad consensus among political parties and major societal actors aligned the German system paradigmatically toward the male-breadwinner model. Universal family benefits, incentives tailored to the needs of married couples and single-earner families, and the minimal availability of public child care contributed to women's low rate of participation in the labor market, a political intended outcome.

Today, Germany's family-policy expenditure levels (about 2.8% of GDP in 2008) are among the European Union's highest, exceeding the euro-area average (EA-16) by 0.6 percentage points (Eurostat 2008). Parental leave periods, previously short and lacking adequate compensation, have been extended. Paternity leave has been introduced and promoted. Today, a parent's net income while on leave is on average just 25% less than net income before leave (OECD 2010; PF2.4 Parental leave replacement rates). Additionally, the number of public child care places has been increased. Especially in the federal states of the former West Germany, care infrastructure for young children had often been virtually nonexistent. In 2012, just 27.6% of children under three years of age had a spot in a child care institution. However, a legal right to child care beginning at age one was to come into effect in August 2013. At the time of writing, it appeared unlikely that the actual demand would be met by this deadline, particularly in Germany's western states. Furthermore, the number of children per kindergarten teacher varies considerably between the federal states, with

rather high child-teacher ratios seen in the eastern states. Thus, drastic investment in child care facilities remains necessary.

Another highly disputed policy on the government's reform agenda during the period under review was the introduction of a financial child care supplement for children aged up to three years who were not attending a child care facility. The child care supplement was hotly debated in and criticized both inside and outside the Bundestag, with critics arguing that it provided poor incentives and would serve as a hindrance to integration. Nevertheless, the supplement too was slated to take effect starting in August 2013. From that point onward, parents would be eligible to claim the new benefit for children beginning 15 months after birth (subsequent to the expiration of the parental-leave subsidy), for a maximum of 22 months. The benefit was expected to total €100 per month in 2013, and was scheduled to rise to €150 in 2014.

Overall, it is striking that these generous family-related support policies have not led to an increase in Germany's low fertility rates.

Ireland

Score 7

The Irish income tax system incorporates a principle of "individualization," which means that at any given level of combined income, the tax burden is lower on households in which both spouses are employed outside the home than in those in which only one spouse works outside the home.

The income tax code thus generates some incentive for spouses to take up employment outside the home. However, its progressive structure implies that at relatively modest income levels the second partner entering paid employment faces high marginal tax rates. At the tax rates in force in 2013, when combined income exceeds €65,600 the marginal income tax rate is 41% to which must be added an additional 7% social charge and 4.5% social insurance levy. The gain in after-tax pay for a spouse entering paid employment can therefore be as little as 47.5% of gross income before any allowance is made for child-care expenses. These cannot be claimed against tax.

Child benefit has been significantly reduced in recent budgets and is now payable for dependent children at a rate of €130 per child. This benefit does not vary to take account of whether the mother is employed outside the home.

The continuing economic crisis has had a more severe impact on employment opportunities for men than for women, as is to be expected in

view of the collapse of employment in the construction sector and the relative stability of employment in services.

Since 2008, the female unemployment rate has risen from 4.0% to 10.7%, but the male rate has risen from 5.7% to 17.0%. The fall in labor force participation among males has been proportionately larger than among females.

Latvia

Score 7

Family-support policies enable women to combine parenting with participation in the labor market. In 2011, Latvian mothers with children under six years of age were employed at a rate above the EU average – 63.9% compared to 58.9% in the EU as a whole. The overall female employment rate in 2011 was 60.8%, above the EU average of 58.5%.

Maternity leave lasts for 112 calendar days, with mothers receiving 80% of their average wage. Paternity benefits are paid for 10 days at 80% of wage, with leave taken within two months of the child's birth.

Latvia has a generous parental leave policy of up to 18 months per child, to be used by either parent prior to the child's eighth birthday. Parents with three or more children are entitled to three extra days of paid leave per year.

Labor law prohibits an employer from terminating an employment contract with a pregnant woman or a mother with a baby up to one year of age. The shortage of kindergarten seats is mostly solved on a private level.

Citation:
European Commission (2011), Employment Rates by Sex, Available at:
http://epp.eurostat.ec.europa.eu/statistics_explained/index.php?title=File:Employment_rates_by_sex,_2011_%281%29_%28%25%29.png&filetimestamp=20121030182958, Last assessed: 21.05.2013

Poland

Score 7

Poland's female employment ratio falls below the average for the OECD and the EU average, and its child care infrastructure is weak. However, the Tusk government has emphasized improving the labor market integration of women and fostering a more balanced division of labor among the sexes. In his State of the Nation address at the start of his second term, Prime Minister Tusk announced the introduction of a package of five pro-family reforms, including an extension of parental leave from three months up to one year, increased public spending for the construction and maintenance of crèches, and a cap on kindergarten fees.

Bulgaria

Score 6 Family policy debates in Bulgaria have focused on the level of parental leave benefits rather than on supporting the employment of mothers. While the share of children aged 3-6 enrolled in kindergartens has increased by over 10 percentage points over the last decade, public childcare facilities are still less developed than in most other OECD and EU countries. However, traditionally Bulgarian grandparents are very involved in caring for children, which is an effective social network mechanism reducing the need for state involvement. Moreover, the labor market integration of mothers is favored because mothers have a right to return to their job even after two years of parental leave.

Czech Republic

Score 6 The employment rate for women in the Czech Republic is the highest among the post-socialist member states of the OECD, but does not exceed the OECD average. The level of child care provision declined significantly during the 1990s, and there has been no significant improvement since, even though the growing number of single mothers – more than one-third of children are now born outside of wedlock in the Czech Republic – has further increased the demand for child care. Child care provision for children is one of the lowest among OECD countries, and the situation is not improving. The enrolment rate in formal childcare for children three to five years of age is 71% and is within the third quartile of the OECD countries. The reason for declining child care provision is ideological – collective child care was deemed socialist and considered to be harmful. Another problem has been the rather long maximum duration of maternity and paid parental leave (28 weeks in the case of maternity leave, up to four years in the case of parental leave), which has reduced the incentives for early re-entry into the labor market. Debates on family policy have paid relatively little attention to the issue of labor market integration for women, focusing instead on the level of parental leave benefits and family and child allowances.

Israel

Score 6 Israel has in the past few years undertaken some significant measures addressing the participation of women in the labor market. Among the most important measures, the government has established an equality of opportunity commission, increased subsidies for day care facilities, passed

women-friendly legislation (including an extension of the maternity leave periods) and introduced budgetary regulations that require gender disparities to be considered for each item in the budget.

Nevertheless, studies continue to point to ongoing discrimination against women in the business and public sectors (e.g., the military). A pioneering report published in 2013 showed that working mothers in Israel lose 5% of their income for each child born, while male income grows.

Several studies have also pointed to the lack of minority-oriented social-policy tools, which are needed to address the unique problems of ultra-orthodox and Arab women (though the labor-market participation rate among these two groups is gradually increasing).

Thus, despite the improvements made in the past few years, Israel's policymaking process is still far from creating full equality for working mothers in the labor market.

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Portugal

Score 6

There is little change on family policy per se in this period. The rules concerning maternity leave remain virtually unchanged, although there was a reduction of up to 14% in the amount of the maternity subsidy implemented by the government from July 2012 onwards – again, a reflection of the austerity and public expenditure cuts that were implemented. However, this largely unchanged policy now interacts with a far less favorable context, with the birth rate in 2012 the lowest on record at some 10%–20% lower than in 2011. This cannot be dissociated from the economic recession and rising unemployment, which has had an adverse impact on the country's already low fertility rate, and reflects the few opportunities there are for women to combine parenting and work. In this context – and with the current birth rate well below the level necessary to maintain Portugal's population – more proactive policies are clearly needed.

There are some new programs but they appear insufficient. Beginning in February 2012, parents with children below the age of 12, or with chronic illnesses, could request flexible work schedules. After the expiry of mothers' child care leave, employers are required to provide for retraining programs. Women can spend more time at home with children on parental leave – and fathers can take over from mothers. The parental leave period is 120 days at full salary and 150 days at 80% of salary.

Chile

Score 5

In recent years there have been efforts to establish wide-ranging coverage of preschool education. These policies offer Chilean parents more possibilities to place their children in free or low-priced nurseries and kindergartens. But the system still does not fulfill the requirements of the actual labor market, given that opening times of nurseries often do not coincide with long working hours. Families' ability to find day care for their children depends highly on their economic background, as wealthier families normally pay private housekeepers and nannies. Apart from the possibilities for women to participate in the labor market, one has to mention that Chilean family policy does not fully respect the concerns of fathers as, for example, tuition for children is paid out to mothers. Chilean family policies still lack a holistic vision of modern families, including, for example, aspects such as single parents, adoption and same sex unions.

Croatia

Score 5

In Croatia, the employment rate of women is 10 percentage points lower than the employment rate of men and lower than in almost all other EU countries. Maternity pay is relatively generous, while child care facilities and extended day schemes at school are limited. Child care coverage is especially poor in areas with low employment, which reflects the ability of local government to pay for services. A major problem is the legal protection of women with children on the labor market. Discrimination by employers in some segments of the private sector against younger women is widespread because it is assumed that the women will eventually require maternity leave. This practice is covered by anti-discrimination legislation, but is weakly enforced due to weak unions and poor enforcement by government agencies.

Japan

Score 5

A major focus for family policy in Japan in recent years has been the attempt to improve women's ability to balance work and family life. According to recent OECD statistics, Japan has the group's second-highest gender gap in terms of median incomes earned by full-time employees. Japanese government figures show that only slightly more than 6% of women working in the private sector have made it to the level of section manager or beyond. Although several policy measures aimed at addressing these issues have been implemented since the 1990s, many challenges remain.

The DPJ-led government (2009 – 2012) sought to make a fresh start in this area. In April 2010, an Act on Payment of Child Allowance was introduced, which offers a child-care allowance for children aged 15 and younger. However, the DPJ-led government ultimately had to scale back the magnitude and availability of child allowance payments. In consequence, any financial improvements experienced by families proved largely fleeting. Moreover, the insufficient supply of affordable child-care facilities remains a big problem.

The new LDP-led government aims to give strong support to child-care providers in order to improve working mothers' conditions. This is considered a strategic growth area, but results were not yet visible at the time of writing.

Malta

Score 5

Malta has the lowest rate of women in employment in the European Union, with only 35.5% of women 15 years old or over in employment. The actual percentage may be higher as the informal economy represents 25% of GDP, and many women also work in family businesses on an informal basis. A breakdown of activity rates by age showed that the number of women active in the labor market was comparable to that of men aged between 15 and 24. The gap widens in subsequent age brackets. In recent years, new workplace policies have been designed to try and ensure that women already employed retain their jobs, and those wishing to return to their former positions can do so, these include maternity leave; parental leave; paternity leave; responsibility leave; adoption leave; leave to foster children; work on a reduced time-table; five-year unpaid leave and in 2011, the introduction of financial incentives for mothers returning to work.

These policies, however, are more likely to be found within the state sector than in the private sector, as the latter still lags in this area. One reason for this situation is that a majority of businesses in Malta (70%) are family owned

and employ less than five people. Only 4% to 5% of enterprises employ 100 people or more. But the adoption of more flexible working policies is uneven, as adequate child care facilities are still lacking and working mothers have to depend on other family members for support if they are to return to work. For children less than three years old, what child care provisions exist are mainly in the private sector, which require fees beyond the resources of many families. The three-to-five age group is better served, with a network of state and private kindergartens. State kindergartens, however, operate between 8:30 a.m. and 2.30 p.m., and mothers who work normal hours depend on friends and family members to collect and care for children in the intervening period. Consequently, there is a greater tendency for women to seek part-time paid employment instead of full-time employment. Very often such part-time employment is paid at unfavorable rates.

The government has slowly been addressing the situation, and the Foundation for Educational Services (FES), within the Ministry of Education and Employment, now operates 10 childcare centers which cater to infants and toddlers up to three years of age. Moreover, the FES established an after-hours school service called “Klabb 3-16” for school-age children between 3 and 16 years old, and plans to open more centers; yet many more facilities are still needed as of the end of the review period.

Citation:

Labour Force Survey, fourth Quarter 2012, National Office of Statistics, Malta.

European Union, European Platform for investing in Children:Malta The Challenge of Reconciling Family and Work for Maltese Women. http://europa.eu/epic/countries/malta/index_en.htm

Mexico

Score 5

Social divisions are pronounced in the area of family policy. On the one hand, educated and urban Mexicans are broadly supportive of women’s rights, as is the political class. Recent political reforms require registered political parties to have a quota of women included as a part of their election slates. The PAN presidential candidate in the 2012 presidential elections was a female professional. In addition, educated women are increasingly participating in the labor market and quite a large number of professional people are women.

On the other hand, gender equality is progressing much slower among Mexico’s poor, disadvantaged groups. Poorer Mexicans tend to have larger families and face fewer opportunities for women in the labor market. Also, old-fashioned “macho” and conservative Catholic attitudes from the past make it harder for lower-class women to progress. In addition, many labor-based institutions tend to be based for traditional reasons around the concept of the working man. Moreover, lower-class women are more active in family

businesses and in the informal sector of the economy, where incomes tend to be lower, and where it is hard for them to access state benefits. The main problems facing working class women have to do with the dysfunction in public services like health, education and transportation.

Romania

Score
value_6

Romanian parental leave benefits are relatively generous: parents can claim parental leave for up to two years, and during the period of parental leave – and for 6 months afterwards – they have job security and cannot be dismissed. After a temporary reduction in 2010, in late 2011 the Parliament legislated a return of benefits to 85% of the biannual income while keeping the minimum monthly amount at RON 600 (€135) and maximum limits at RON 1,200 and RON 3,400 (for parents claiming two and one years of parental leave respectively). The draft law abolished the-first-three-children-only limitation on parental leave and child care benefits and provided for an additional sum of RON 600 to parental leave and child-care beneficiaries who adopt or tutor another child.

While such measures are a step in the right direction, they are unlikely to be sufficient to reverse one of the lowest fertility rates in the world (1.3 in 2012, CIA, 2013) and the highest child poverty and deprivation indexes (70% and 20% respectively, UNICEF 2012) in the European Union and beyond. Indeed, spending on children and families accounted for only 1.8% of GDP in 2009 against the EU average of 2.3%. One of the consequences of this low spending was that in 2010 child care was available to only 7% of the children under the age of three and 66% of the children between three and six. Combined with the shortage in part-time work, the shortage in affordable child care (especially full-time daycare) creates a significant obstacle for women attempting to combine parenting and employment.

Slovakia

Score 5

In Slovakia, traditional notions of the family are still fairly strong. Mothers of children under two years rarely work, maternal employment rates are below the OECD average, and working women face an enormous double burden of both professional and domestic responsibilities. This situation is reinforced by the low incidence of part-time employment, income tax splitting and the relatively long duration of parental leave. Child care facilities are limited and have not kept up with the increase in birth rates. The lack of kindergarten slots is felt in larger towns in particular. However, neither the Radičová nor the Fico government have really addressed these problems. In its

government manifesto, the Fico government has called for making family policy “the focal point of the state’s social policy” and for a “new Strategy of State Family Policy of the Slovak Republic until 2020 to define strategic objectives, principles and measures for its implementation in order to revitalize family life and substantially renew its social function.” Yet these announcements have not yet led to the adoption of major measures.

Spain

Score 5

Family is a social group traditionally abandoned by Spanish public policies, with no political will from either leftist or rightist governments to help it. While the socialists have tended to consider family as a conservative concept in itself, the Popular Party (Partido Popular, PP) has not devoted much effort to changing traditional family patterns (preferring mothers to focus on household and child-care work) and has cut economic aid for families – a trend intensified as a result of the economic crisis and budgetary constraints. Since 2010, policies fostering opportunities for women who want to combine parenting and employment have been reduced.

The “cheque bebe” (a €2,500 benefit payable to families for every newborn or adopted child) has been eliminated and the paternity leave program introduced in the mid-2000s receives minimal use, while further measures are needed to instill a culture of shared responsibility for child care. The moratorium in implementing the National System of Dependency (for care of dependent people) does not make it easy for women to free themselves from the burden of family care. In general, timid government action and traditional gender roles deeply rooted in Spanish society keep women in an unequal position. Even if the Ministry of Employment tries to ensure employers’ compliance with legislation on non-discrimination in the workplace, the wage and pension gaps between men and women comes close to 20%. Women’s employment rate is also much lower than that of men.

Cyprus

Score 4

The low rate of enrollment in nurseries and child-care centers is one symptom of Cyprus’ lack of adequate family policies. This creates obstacles to combining motherhood with employment, which in turn may help account for the very low birth rate of 1.48 % (2010). However, the country has a high female labor-force participation rate (74%) in 2012. Families seek care for children five years old and under primarily in the private sector, although there are a small number of community centers under the supervision of the Ministry of Labor.

The lack of adequate state family policies and of facilities for mothers with dependent children forces families to seek other solutions, mostly gaining help through the extended family, which is still strong. Responsibility for care is taken on by family members, in particular grandparents, which has the beneficial effect of lowering child-poverty rates. Kindergartens, in which more than 80% of children are enrolled, represent additional family expenses. Parents and young mothers are presented with further difficulties in finding transportation for their children, given that the public transportation infrastructure is largely insufficient. A recent measure creating full-day primary schooling in many communities has helped some families, but has not resolved this problem.

Although special allowances have been offered to families with three or more children, the economic crisis has caused more difficulties for families. Some may not have the resources to pay nursery fees, and mothers may consequently be forced to leave their jobs in order to take care of their young children.

Greece

Score 4

Family policy is associated with the position of women in the labor market – a position which puts women at a disadvantage. The law says that employers should grant women maternity leave and hire them back nine months after giving birth. However, women tend to leave the labor market on having their first child, either because they choose to do so or because they are fired by their employer. This used to be and still is a common pattern in the private sector. A designated body of labor inspectors within the Ministry of Labor has not been effective in controlling such practices by employers.

The situation is completely different for women employed in the civil service and state-owned enterprises. Female public employees are guaranteed their jobs following maternity leave. This creates a sharp contrast to the fate of their counterparts in the private sector. Because of the crisis in 2011 – 2013 there were cuts in government social expenditure which took their toll on allowances for maternity leave. Nowadays, for the last six out of the nine months of maternity leave, women must survive on the minimum wage (€580 gross per month).

Moreover, family allowances in Greece are small: they amount to €35–40 per child per month. In the past, the bulk of family-related allowances were channeled to families with three or more children, regardless of family income level. This was the consequence of a preoccupation of state authorities with the size of the Greek nation rather than with a social policy-based understanding of family policy. In the first semester of 2013 a new

policy, passed in the wake of the crisis, imposed income-tested thresholds for families receiving child allowances. The new policy has expanded the pool of potential recipients of child allowances, as it does not exclusively favor families with three or more children, but instead families with children in need.

Furthermore, state-owned child care facilities managed by municipalities are few and underfunded. This situation has left many dual-career families with the option of either enrolling their offspring in private daycare enterprises, where fees can be high, or resorting to the daily help of parents or parents-in-law.

Citation:

Data and information obtained through an interview with Professor Manos Matsaganis, Athens University of Economics and Business, expert on family policy in Greece. Interview conducted on 18.05.2013 in Athens.

Hungary

Score 4

The family policies of the Orbán government have not aimed at improving opportunities for women to combine parenting and employment, but instead have worked to strengthen traditional family models. The new constitution defines only married couples with children as a family. As a result, non-married couples have lost entitlements. The Orbán government has introduced a new family tax allowance and has extended the maximum period for parental leave from two to three years, thereby luring women away from the labor market. There are still only a few part-time jobs for highly skilled women, and the female employment ratio is one of the lowest in the Organization for Economic Cooperation and Development (OECD) and the European Union.

Italy

Score 4

Italian society has traditionally relied very much upon its very strong family institutions. The family (often in its extended version) today remains a major provider of welfare for its weakest components – children, young couples with precarious jobs and elders. Within the family, significant amounts of monetary redistribution take place, and important services are provided, such as the care of preschool age children by grandparents. Partly because of this reliance, family support policies have been generally weak. Apart from relatively generous rules on maternity leave (paid for by social insurance) and limited tax deductions for children, the state has not offered much. Public day care facilities for preschool children are available on a limited scale and

vary significantly across regions. Private firms and public offices have only recently started offering similar services, with some support from the state.

The lack of more significant policies has contributed on one hand to the limited participation of women in the workforce, and on the other to a very low birth rate (except in the immigrant population).

In its 2008 program, the Berlusconi government proposed to introduce important changes in the tax treatment of families (the “*quoziente familiare*”), but these ideas were put aside during the crisis, and the government has to date introduced only limited subsidies for families and children in the lowest income brackets. In the economic crisis levels of children poverty are higher than the mean.

New and innovative Scandinavian-style concepts (such as parental leave) which go beyond maternity allowance are not widely used. The whole child-care sector, and indeed the state of the public debate over the ability of women to combine work and children, lags behind that in the wealthier European countries. Many institutions and projects working in family support have run out of money and threatened to shut down their services since the Berlusconi and Monti governments cut the transfer of financial resources to regions and municipalities.

South Korea

Score 4

As with preceding governments, the Lee administration has not been very effective in enabling women to combine parenting with participation in the labor market. This can be seen in the country’s low fertility rate as well as in women’s low labor-market participation rate. The traditional Confucian family values that view women as mothers and housewives remain strongly influential. High housing prices and high costs of education are the most important factors in young couples’ decision not to have children. In recent years, the government has been alarmed by the dramatic drop in fertility, and various policies are underway or under discussion; however, most policies adopted thus far have proved inadequate in helping women combine employment and parenthood. For example, the government is currently discussing the introduction of a child benefit system and vouchers for kindergarten fees. As a result of the discussion, the kindergarten industry is booming in Korea right now.

There have also been more controversial reactions to the low fertility rate. For example, the government has started cracking down on abortions, which are illegal in South Korea but had been tolerated since the 1970s, when Korea was trying to bring down its birth rate.

Citation:

New York Times, 5 January 2010

Kim Sangmook, 2008, Women and family-friendly policies in the Korean government, *International Review of Administrative Sciences*, Vol. 74, No. 3, 463-476

Switzerland

Score 4

In international comparison, Swiss family policy does relatively little to enable women to enter the workforce. In a recent analysis examining the ability to reconcile work and family, looking at data from 2005, Switzerland scored lowest among 21 OECD nations. The new federal law providing subsidy payments to families, which took effect in January 2009, has done little to change the country's ranking in international comparison; nor has it changed the fact of substantial cantonal variation, one of the most salient characteristics of Swiss family policy. The new federal law defines minimum child and education benefits, but cantons may add a variable amount to this basic federal benefit level.

In general, Swiss family policy has a clearly conservative outlook with a strong liberal undertone. It is mildly supportive to the traditional family; there are some tax deductions and a period of parental leave offered to mothers (but not to fathers), as well as a very limited amount of child care facilities. As is virtually always true in Switzerland, there are substantial cantonal variations. The canton of Ticino has a very generous family policy aimed at helping mothers to reconcile work and family; other cantons (and their municipalities) fail to offer any substantial help such as child care facilities on a broad scale. Likewise, tax policies providing incentives either to stay at home or reenter the labor market vary from canton to canton. However, taking the median canton and municipality, the portrait of a liberal-conservative family policy applies. Policies tend to create incentives for young mothers to stay at home during the first years of their children's lives. Afterward, mothers are provided with reasonable opportunity to find employment; however, these are in most cases part-time jobs. This allows mothers to care for their children, while also having some limited employment. Taking part-time jobs usually reduces the ability to have a sustained career as compared to the opportunities offered by full-time jobs. Hence, the system works in the sense that it mobilizes women within the labor market, but without giving them opportunities for income and career advancement equal to those afforded to men.

In March 2013, Swiss citizens rejected a proposal that would have added an article on balancing work and family life to the constitution. The proposal would have obliged the federal government and cantons to provide child care facilities in sufficient quantity to enable mothers to continue working if they desired to do so.

Turkey

Score 4

In Turkey in 2012 some 7.31 million women were employed. While the labor force participation rate for women amounted to 29.5% in 2012, the female employment rate during the same year was 26.3% and the female unemployment rate 10.8%. Women's participation in the labor market remains low and also far below the EU average.

In February 2012, the Ministry of Family and Social Policies and the Ministry of Science, Industry and Technology signed a "Cooperation Protocol on Developing Entrepreneurship Activities toward Women, Disabled Persons, Relatives of Martyrs and Veterans and Increasing Women Employment" to explore strategies to support female entrepreneurship and aims at better promoting child care. Law 657 on civil servants and Law 4857 on labor were revised with the goal of increasing the numbers of women in the workforce through strategies to help balance work and family life. The discrepancies between standards for female workers and civil servants (such as over the duration of paid maternity leave) were removed. The strengthening of the legal framework with regard to more flexible jobs (such as on-call positions or telecommuting) was achieved with the amendments of Articles 3 and 14 of Law 4857. In addition, the government and industry leaders agreed to increase the number of child care centers in organized industrial zones to better support working mothers.

During the period the government also initiated a plan called the "Operation on Promoting Women's Employment" (2011 – 2013). The Turkish Employment Agency (ISKUR) is to provide services especially at the local level, to help women become more employable, help them find more jobs and higher quality jobs, and in general help to remove obstacles to their participation in the workforce.

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