Nordic parental leave: recipe for high employment/high fertility?

By

Anne Lise Ellingsæter, University of Oslo

Department of Sociology and Human Geography, University of Oslo
Anne Lise Ellingsæter

Nordic parental leave: recipe for high employment/high fertility?

ABSTRACT  Predicted future labour shortages in European welfare states are drawing attention to political strategies that may increase women’ employment and fertility rates. In this context, the Nordic situation is remarkable. These countries’ blend of high female employment rates and relatively high fertility levels is correlated with comprehensive family policies, indicating that policy reform might be the solution to economic and demographic challenges. Leave arrangements for parents are a core element in Nordic family policy, and this paper scrutinises the specific role of such policies in causing the rather advantageous Nordic situation. To what extent can similar employment and fertility levels be explained by similar leave arrangements?
**Introduction**

Family policy reform is seen as one of the solutions to the predicted problems related to the ageing and population shrinking of Europe. Policies aiming at balancing work and family might deliver more working mothers now, and by supporting fertility, more workers for the future (MacInnes, 2006). For example, the Commission of the European Communities (2005: 2) maintains that “Europeans would like to have more children. But they are discouraged from doing so by all kinds of problems that limit their freedom of choice…Families …do not find the environment in which they live conducive to child rearing. If Europe is to reverse this demographic decline, families must be further encouraged by public policies that allow women and men to reconcile family life and work.”

This situation adds new force to the gender equality objective - as a means to increase the labour force here and now, and in the future. Gender equality appears as a key axial principle in the new socio-economic equilibrium, as a fundamental premise for a productive post-industrial society, argues Gøsta Esping-Andersen (2002). By many regarded a ‘woman’s affair’, gender equality becomes a ‘societal affair’, “a precondition for making the clockwork of post-industrial societies tick” (Esping-Andersen, 2002: 69). The establishment of a new ‘gender contract’ is a main challenge for the post-industrial welfare state; a contract that reflects a reality where mothers combine employment and motherhood, and gives men incentive to expand their caring roles (Esping-Andersen, 2002). The ‘politicising of parenthood’, that is parenthood as matter for political intervention and investment, and gender equality as a societal ambition, has a longer history in the Nordic countries than elsewhere (see Ellingsæter & Leira, 2006). Moreover, from historically low levels, female employment rates have developed into the top league. That the highest European female employment rates and fertility rates today are found in this region may suggest that these countries have developed a recipe that, at least in part, counters the predicted economic and demographic problems. Hence, the role of policies in explaining the privileged Nordic situation is of considerable interest.

In this paper I look into the particular role of parental leave policies in generating Nordic high maternal employment rates and retaining relatively high fertility levels, based on the existing research literature (see also Rønsen, 1999). To what extent can similar employment and fertility levels be explained by similar leave arrangements? Parental leave is an essential
component of work-family policies, constituting a main element in Nordic family policy, and thus a crucial aspect of the condition of parenthood. Leaves for parents have been much emphasised in the European policy debate (Deven & Moss, 2002). A directive on parental leave was signed by the EU member states in 1997. EU members are obligated to grant three months of unpaid parental leave to both men and women workers and member states are to take necessary measures to protect workers against dismissal and to provide maintenance of entitlements to benefits during leave (Haas, 2003). At present, leave policies for parents vary significantly among European states, and few have developed policies that facilitate women and men’s sharing of breadwinning and childcare (Haas, 2003).

The article continues in six parts. First, I discuss analytical perspectives and problems related to the study of the relationship between work-family policy and social practices. Secondly, the ambiguous nature of parental leave as a policy measure is addressed. Thirdly, the historical development of leave arrangements for parents in the Nordic countries is outlined briefly. The two following sections review the impact of leaves on mothers’ employment and women’s fertility rates, respectively. The final part discusses the role of parental leave policies related to other explanations of Nordic women’s fertility and employment practices.

The policy-practice relationship – problems and perspectives

The significance of welfare state policies for women’s labour market participation has been a continuous research debate for at least a couple of decades, with the gendering of welfare regimes as a key issue. Interest in the impact of family policy and welfare regimes on fertility rates has risen more recently, in tandem with the continuing fall towards very low fertility in many western countries. The recent ‘demographic turn’ in social policy debates is spurring these concerns even further.

The potential impact of family policy, including leave arrangements for parents, on women’s employment and fertility rates, is complex and difficult to disentangle. Partly due to the varied nature of policy reform, it is generally difficult to identify the direct effects of policy interventions. Welfare state policies may react or adapt to changing circumstances, or sometimes aim to exert a proactive impact on the development of institutions (Kautto et al., 2001). Thus some family policies respond to family change, some aim at conserving a traditional family pattern, while others intend to induce family change (Leira, 2002). Policies
instituted to close gaps that have developed between policy regulations and social practices in effect support ongoing social transformations, and reforms that go against deep-seated change are unlikely to have any significant impact (Ellingsæter, 2003). Moreover, the meaning of seemingly similar national policies can be quite different, because of the motivation behind them differ, and because of the context in which they are inserted is often different (Daly & Lewis, 2000). Accordingly, similar policies may give different outcomes, but just as important: different factors, including different policies, may generate similar outcomes (plural causation) (Pickvance, 1986). A problem in comparative welfare state analysis is that analyses of the relationship between policies and social practices often lean on statistical correlations, which do not uncover mechanisms generating the aggregate patterns and their causal links (Ellingsæter, 2003).

With regard to the shaping of mothers’ employment relations, comparative research attributes significant prominence to the role of the macro institutional context (e.g. van der Lippe and van Dijk, 2002). Still, it is acknowledged that the role of welfare policies is part of a web of influences, as social practices are generated in the interplay of policies, economic structures, cultural norms and historical traditions (e.g. Daly, 2000; Ellingsæter, 1998, 2003; Orloff, 2002). Also in the study of fertility, the complex interplay of family policy with other processes of change, such as labour market and gender cultures, is increasingly emphasised (e.g. Neyer, 2006). Fertility in Europe exhibit different trends, prompting questions that can explain the diversity (Neyer & Andersson, 2004). Neyer and Andersson (2004) maintain that the ‘classical’ economic and cultural explanations need to be supplemented with institutional factors, seeking multi-faceted explanations of fertility behaviour, in which comparative approaches are important. These recent calls for expansions of theoretical perspectives in the study of fertility are very similar to the motivation for the earlier development of comparative institutional approaches to the study of women’s employment.

Hence, the complex relationships between social policy arrangements and social practices point towards multi-causal, contextualised approaches, allowing the uncovering of multifaceted social mechanisms. This means that the impact of specific policy measures, parental leave in this case, needs to be interpreted within its specific national context; in relation to other care and family policies, education and labour market opportunities, family formation processes and gender cultures. Moreover, a historical perspective, including the timing of policy reforms, is essential when studying causes of changes in social practices. A
comparative analytical design is also advantageous. The present case study compares five Nordic countries; Denmark, Finland, Iceland, Norway and Sweden. This represents a ‘most similar’ case design; selecting countries that presumably are similar in their family policy make-up. This intra-Nordic design may reveal underlying mechanisms that cannot be captured if the Nordic welfare states only are compared with countries that differ in both family policy framework and outcomes.

The ambiguous nature of parental leave policies

The organisation of childcare is at the core of work-family reconciliation policy. There are three main types of care policy elements: state subsidised day care services, paid leave arrangements and cash benefits for care. The policy elements to a different degree support women’s right to work, on the one hand, and their right to care, on the other (Ellingsæter, 2006). A particularly critical look at parental leave and its impact on women’s employment and fertility is motivated by its ambiguous nature, noted in previous research. The right to work is supported by the provision of child care services, defamilising child care. The primary aim of parental leave is, according to ILO (1981) “… to enable parents in employment to look after their newborn child for a certain time”, i.e. it secures the right to care among the employed. Job security, the right to return to the job after the leave period, supports the right to work. Paid leave for parents is part of decommodifying welfare policies (Esping-Andersen, 1999), compensating the loss of income when an individual for various reasons cannot work. Thus, the right to care for one’s own child becomes part of the work contract (Ellingsæter & Rønsen, 1996). Cash benefits for care grant the right to care independent of employment status. Combinations of these policy elements generate different national child care regimes, shaping parents’ opportunity structures, and parental leave needs to be understood in light of the entire child care regime.

Usually the Nordic countries are classified as belonging to the social democratic welfare state regime. However, regime typologies tend to simplify the complexity of policy mechanisms operating, and variations within the same regime are often ignored (Ellingsæter, 1998). Several scholars have emphasised the differences among the Nordic countries in the organisation of childcare and reproductive rights; some even argue that each country represents a different model (e.g. Leira, 2006). Danish and Swedish care policies have been directed at the labour markets’ demand for labour, thus supporting a dual worker family
model. Both countries have developed extensive public child care services, also for children under 3, but in contrast to Denmark, Sweden also have instituted long parental leaves. Moreover, Denmark is characterised by a more decentralised labour market model, with more local negotiations (Rostgaard, 2002). Finnish and Norwegian care policies are more mixed; in addition to their parental leave policies and childcare services, both countries have cash for care arrangements for parents not using publicly subsidised child care, Finland since the mid-1980s and Norway since 1998. Norway’s development of child care services have lagged considerably behind the other countries, particularly for the under 3s. Norway’s policy has been dualistic, supporting both the dual worker family and the one income family, reflecting a lasting struggle between the political left and right (Ellingsæter, 2003).

The ambiguous nature implies that national policy rationales of parental leave differ. Parental leave policies are influenced by social assumptions of childhood, motherhood and fatherhood, which have a bearing on our understanding both of leave policies themselves, and how and why leave policies are used (Deven & Moss, 2002). Parental leave policies may have various aims; e.g. pronatalist, family welfare, children’s right to parental care, gender equality. Research show that national variation i parental leave arrangements actually reflect varying purposes, from encouraging women to stay at home, to promoting gender equality by supporting mothers’ employment (Deven & Moss, 2002). A main conclusion of a study of eight European countries was that the equal opportunities content of parental leave must not be overestimated (Bruning & Plantenga, 1999). Significant ideological differences between the Scandinavian welfare states regarding gender and parenthood are reflected in the development of parental leave legislation, maintains Rostgaard (2002). Leira (2002: 23) has noted that different maternity benefits for employed and non-employed mothers, the latter usually receive a smaller cash transfer, makes it difficult to assess the extent to which maternity rights are primarily care-related; related to the physical restitution of the mother, or to be regarded as a pronatalist measure.

Further complicating the question of policy rationales is the fact that they change over time, and also that the historical intention of reforms may be reinterpreted in new social contexts. For example, Caldwell et al. (2002) argue that low fertility in liberal democracies historically has been identified with problems in the family, and that it is difficult to determine if politicians were concerned with low fertility or helping the disadvantaged family. An illustrative case is Sweden, where in the population policy debate of the 1930s it is difficult to
distinguish between fertility and family welfare rationales, and where both aims were later intertwined with policies directed at gender equality (Caldwell et al. 2002). Many of the government policy programs that may support fertility are not intended as pronatalist measures. Today most states assist families on social grounds and gender equality, as many western societies believe that any attempt to raise fertility, ‘to place the Government in the bedroom’, would be intrusive (Caldwell et al., 2002). For example, Andersson (2005) underscores that Swedish family policy is not directly aimed at encouraging child birth, but rather to support women’s labour force participation and gender equality.

**Nordic parental leave policies – how similar?**

Current Nordic leave arrangements for parents share several similarities. Common denominators are, within some variation, entitlements conditioned on prior employment, the right to go back to work when leave is over, high level economic compensation (70-100% up to ceilings), the length of leave +/- one year, elements that help redistribute care from mothers to fathers; i.e. the *individualisation* of entitlements by reserving leave for fathers, and flexible regulation of leave take up. The main aspects of current arrangements in the Nordic countries are summarised in box 1.

**BOX 1 ABOUT HERE**

Nordic leave policies have been subject to continuous reform, also in recent years. Convergence has been the main trend, and four major movements have been visible since the 1970s: longer leaves, a shift from maternal leave to parental leave, earmarking of leave for fathers and increased flexibility in leave take up. These shifts signal changes in the conception of mothers as workers, fathers as carers and the care needs and rights of children. However, historically there have been sieve arrangements for parents share several similarities. Common denominators are, within some variation, entitlements conditioned on prior employment, the right to go back to work when leave is over, high level economic compensation (70-100% up to ceilings), the length of leave +/- one year, elements that help redistribute care from mothers to fathers; i.e. the *individualisation* of entitlements by reserving leave for fathers, and flexible regulation of leave take up. The main aspects of current arrangements in the Nordic countries 3 months flat rate benefit), an extra month was added in 2000 (with the extension of the daddy quota). Norway saw a rapid period of expansion from
1986 to 1993, from 18 to 52 weeks. In contrast, Denmark reached one year of leave a decade later, in 2002. Iceland’s leave has been very short, and was expanded to 9 months in 2000. Hence, the institutionalised norm for parental care has expanded significantly, currently converging around a year, with the exception of Iceland. Leave extensions have been embedded in shifts in policy rationales. For example, the initial concern of the Norwegian maternal leave was that mothers should be able to reconstitute physically after the birth; the Norwegian directorate of health assumed in 1976 that 12 weeks of leave was sufficient for mothers to ‘restore their work ability’ (Ot. prp. nr. 15 (197-77)). Leave extensions increasingly have emphasised the infants’ needs and rights to parental care. The main rationale of family policy increasingly is ‘the best interest of the child (see also Ellingsæter, 2006). This is marked in the 2005 Swedish parental leave commission’s proposal to extend the leave to 16 months (and at the same time earmark more of the leave to fathers and mothers, respectively) (SOU, 2005). The commission’s mandate and motivations rest heavily on the United Nation’s Child Convention and ‘the best interest of the child’. The central argument is the child’s right to care from both their parents.

The political institutionalisation of the gender equality objective in the Nordic countries in the 1970s was followed by a redesign of leave, from maternal leave to leave for both parents. Sweden was the first country to introduce leave for both parents, in 1974. The compensation was also considerably improved. Finland and Norway introduced leave for both parents in 1977 and 1978, respectively, while Denmark was later, 1984-85. The Danish reform differed from the other countries in that the main rationale was not gender equality, but securing children longer time at home with their parents (Rostgaard 2002). With the introduction on parental leave, fathers got the possibility of taking up large shares of the leaves, but very few fathers used this option. This was the main reason for the daddy quotas that was introduced later, i.e. leave reserved for fathers that cannot be transformed to mothers. Although a main ambition of the quotas was increasing gender equality in leave take up, fathers’ and children’s right to time with each other was also important. Norway was the first country to introduce a ‘daddy quota’, 4 weeks in 1993, as part of an expansion of existing leave. Sweden introduced a ‘daddy month’ in 1995, transferring four weeks of the existing leave to fathers. Sweden added an extra daddy month in 2000, to the existing leave, while Norway has added two extra weeks to the daddy quota, one in 2005 and one in 2006.
In Denmark, a two week daddy quota was introduced in 1998, but abolished in 2002, with ‘parental choice’ was the main political motivation (see Borchorst, 2006 for a further discussion). Borchorst (2003) maintains that gender equality is weak in Danish policy, and the gender perspective is absent in policy debates such as parental leave, a paradoxical effect of a widespread assumption that gender equality is already achieved. More recently, Iceland and Finland introduced leaves reserved for fathers. Iceland’s reform is the most radical so far. From 2000 to 2003 a three month daddy quota was introduced stepwise; three months are also reserved for mothers, while the remaining three months can be shared between the parents as they wish. The Icelandic reform is particularly interesting in that their welfare model is considered a mix between a Nordic and a liberal model (Einarsdóttir, 2004). Iceland spends less of their GDP on welfare; and their leave still is the shortest among the Nordic countries.

In 2003 Finland introduced their daddy reform. Fathers get a daddy month, ‘bonus weeks’, on certain conditions: If the father takes two weeks at the end of parental leave, he will get two weeks extra as bonus (Lammi-Taskula, 2006).

Flexible take up regulation is among other innovative elements of Nordic leave arrangements. In Iceland and Sweden parents can take up the leave until the child is 8 years old. Norwegian parents have had a time account arrangement since 1994; leave can be taken part-time (50-90%) with reduced compensation up to the child is 2 years old. Flexibility in Finnish leave regulation came a decade later, since 2003 the leave can be shared between the mother and father on a part-time basis, conditioned on both parents working reduced hours (Lammi-Taskula, 2006). Flexible leave is not institutionalised in Denmark, part-time leave has been rejected by unions in fear of it leading to increased part-time work, but parents can make individual arrangements with employers (Rostgaard, 2002).

**Nordic ‘high employment societies’ and parental leave**

Does parental leave strengthen mothers’ labour market attachment, and does it help the redistribution of care work from mothers to fathers? Several studies examining the relationship between welfare regimes/family policies and the labour force participation of mothers with preschool age children, have found significant correlations between the two; mothers in the Nordic welfare states have the highest labour market participation rates (e.g. Mandel & Semyonov 2006, Van der Lippe & van Dijk 2002). This partly reflects that these countries are *high employment societies*, with overall high employment rates. Yet, while in
most countries mothers with preschool aged children have much lower activity rates than the
total population of women, in Denmark, Norway and Sweden there is no difference between
the measures (Mandel & Semyonov, 2006). Current employment rates among Nordic women
of child bearing ages are high, about 80 percent in the 25-34 age groups, and somewhat higher
in the 35-44 age groups. Men’s employment rates are about 10 percentage-points higher
(Nordic Council of Ministers, 2005).

Nordic mothers entered the labour market in large numbers already in the 1960s, long before
long parental leave and public child care services were in place (Leira, 1992; Nyberg, 2002).
Thus policies can not be taken as the initial causal mechanism of behavioural change.
Actually, Huber and Stephens’ (2000) comparative analysis of 16 countries from the early
1960s to the late 1980s suggest that it is the other way around; women’s labour force
participation is an important determinant of the expansion of public social welfare services,
et of other social, political and historical factors. They also found that social democratic
governance was an important determinant of the provision of welfare state goods and
services.

Moreover, there have been pronounced differences in women’s employment within in the
Nordic countries. Employment rates among Norwegian women and mothers lagged behind
Denmark and Sweden for decades. By the mid 2000s, however, Norway had the highest
female employment rates in the Nordic countries. Growing employment rates among mothers
is a universal trend in industrialised countries, and obviously a result of plural causation, as
mothers in the liberal welfare states (US and UK) are the ones most rapidly approaching the
employment levels of Nordic mothers.

Further, the measures and correlations that many studies are based on are problematic for
several reasons. Obviously, mothers’ labour market relations are aggregates of complex
processes in time and space, and employment rates are at best a very crude indicator of the
impact of existing family policies, telling little about the impact of particular policies. The
definition of economic activity rates is essential. If mothers on paid leave are registered as
economically active, as they usually are, long parental leave will tend to inflate employment
rates (Neyer, 2006). Because of this, at work rates are more accurate if one is interested in
gender equality in employment relations, as demonstrated by Jonung and Persson (1993). ‘At
work’ rates, registering those actually performing paid work in a certain reference period, are
significantly lower than employment rates, and thus gender differences in economic activity is much larger: About 10 percent of mothers with children under one year were ‘at work’ in Sweden, while 57 per cent were registered as temporarily absent, on leave. Among mothers with one year old children the corresponding figures were 45 and 26 percent (Statistics Sweden, 2003: 77). In Norway, the rate of formal employment among mothers with children under 3 grew from 66 to 73 percent, but proportion of mothers on leave increased more, from 25 to 35 percent (Kjeldstad & Rønsen, 2001).

There is surprisingly little research focusing particularly on the employment effects of the Nordic leave arrangements (Pylkkänen & Smith, 2003). Moreover, existing studies are based on data prior to the many leave reforms of the 1990s and later. The lack of studies may reflect the self evident position that parental leave has attained in these countries, as a welfare measure in its own right.

Return to work

The rate at which mothers return to work is one indicator of the effect of parental leave on mothers’ labour market attachment. The main conclusion in a study of parental leave programs in Finland, Norway and Sweden in the 1970s-1980s (women with first and second births 1972-1992) is that they had great impact on mothers’ employment behaviour (Rønsen & Sundström, 2002). Generous leave rights encourage mothers to accumulate entitlements before birth and to stay in employment in the period of childbearing. Mothers entitled to paid parental leave had much higher rates of return to work during a period of three years after birth, than mothers without leave rights. The positive effect of leave rights was not modified by income or education. The length of leave was found to be crucial, however. Short leaves give weaker incentives, those entitled to leave will return to work earlier, but a larger proportion will remain outside the labour market. On the other hand, long leaves weaken the employment effect; delaying mothers’ return to work, reducing the difference between those with and without leave entitlements. Re-entry was concentrated in the period after leave expiry, but Swedish mothers had higher entry rates during the leave period, which may be an effect of the flexibility in the leave program. When the statutory leave was prolonged in the study period, entitled mothers stayed at home longer (Rønsen & Sundström, 2002). Also the Finnish home care allowance, succeeding parental leave, was found to reduce employment entry. Thus long and generous leaves may prolong women’s career breaks.
Another study, on Danish and Swedish mothers, applying more recent data from the 1990s, shows that more than 90 percent of mothers in both countries return to work, and the labour attachment is strongest among mothers with the highest educational attainment (Pylkkänen & Smith, 2003). Income and labour market attachment are important for mothers’ return to work, and the length of leave is also crucial. Due to the longer Swedish leave, the proportion of Swedish mothers returning to work the first months after childbirth is lower than in Denmark. An important finding was that fathers’ parental leave take-up plays an important role in the timing of mothers’ return to work in Sweden; the longer leaves for fathers reduce the absence from work for mothers.

Redistribution of leave from mothers to fathers

In Iceland, Norway and Sweden about 75-85 percent of the fathers entitled to daddy quotas, take up some leave. In the short period when the Danish daddy quota was effective, the share of fathers taking up leave increased from 7 to 24 percent (Borchorst, 2003). These figures may overestimate the take up of fathers, however; in Norway they are calculated on the basis of fathers who are entitled to the daddy quota, which includes only 60 percent of all fathers. In addition, half the fathers take up their daddy quota while the mother is also at home. Moreover, mothers still take up most of the leave days. But fathers’ take up of total leave days shows that the longer the daddy quota, the higher are fathers’ share: Fathers share of the take up of the total leave days is lowest in Denmark and Finland (about 5 percent) and highest in Iceland and Sweden (28 and 18 percent), with Norway in between (9 percent) (Nordic Council of Ministers, 2005).

There has been a lot of interest in the factors affecting fathers take up of leave, and parents’ income, work situation and attitudes found to be important. In all the Nordic countries both fathers and mothers’ socio-economic position affect fathers take up of leave (see Lammi-Taskula, 2006 for an overview). Economic calculations is not always determining the distribution of leave uptake; mothers’ education and work situation affect fathers’ behaviour, and Sundström and Duvander (2002) maintain that families with high incomes can afford the cost of fathers’ taking more leave (fathers of course earn more than mothers on average). Other studies suggest that the actual loss of income when father’s take more leave is not very high, because of the progressive taxation in the Nordic countries (Björnberg, 2002; Haas, 2003).
In contrast, studies examining factors affecting mothers’ leave take up are scarce (Björnberg, 2002); mothers’ take up of leave is perceived as something self-evident. Only men state that it is not possible to take leave, and mother’s work is seldom reported as a reason for the division of leave between the mother and the father (Riksförsäkringsverket, 2003: 59). Several studies indicate that it is not only fathers’ attitudes that influence the skewed gender uptake of leave; many mothers’ want long leaves. Sundström and Duvander (2002) contend that fathers’ leave is a residual, father take what is left when the mother has decided how long she wants to stay at home. Evidently, the daddy quotas are about to make the ‘unwilling father’ history.

**Negative employment effects of mothers’ long leaves**
The concern for the potential negative effect of long parental leave on Nordic women’s labour market position is growing. It is possible to argue that long parental leave has re-established separate spheres between work and family for women, as they take most of the long leave (Ellingsæter, 2006). Some researchers argue that women’s long parental leave absences has no positive effect on gender equality in working life, rather the contrary, contributing to a segmentation of gendered patterns (Björnberg, 2002). The high degree of Nordic occupational segregation means that the costs of long absent employees are unevenly distributed between women’s and men’s employers. When women as a group take up most of the leave, this practice becomes an attribute of the ‘woman worker’, representing a risk to women’s careers. The Gender Equality Ombud in Norway is receiving an increasing number of complaints from pregnant women and women returning to work after the end of leave. Pregnant women experience that job offers are withdrawn after the pregnancy is known, and mothers returning to work sometimes are given another job or even sacked, particularly in connection with organisational change (Gender Equality Ombud, 2004). A Swedish study indicates that the risk for unemployment increases for women and men in the age group 25-40 who expect their first child, suggesting that employers are selecting away those with an expected long absence in the near future (Jans 2003, referred in SOU 2005). The Swedish Gender Equality Ombud also registers an increase in complaints from women returning to work (SOU, 2005). Many complaints are about not getting back the former job after the end of leave. A Swedish survey of a group of union members showed that one out of five got different work tasks after the leave, and the proportion was even higher, 40 percent, among those who had been absent for more than a year (SIF, 2003, referred in SOU 2005). A qualitative study describes a lot of variation in Norwegian women’s experiences when they return after a year’s leave or so. While some women experienced no problems at all, others did not get their prior work tasks
back or were given less attractive work, and some felt that they were ignored when they returned (Teien, 2006). The most serious cases were those who lost their job when on leave, due to reorganisation, suggesting that exercising formal rights in a labour market characterised by frequent restructuring might be a growing problem.

There are also studies of the effect of leave arrangements on career trajectories and wages, showing divergent results (for a Swedish review, see SOU, 2005). Some studies indicate that leave of absence may have different effects for men and women, and that the impact is most negative for men: while women are expected to take long leaves, for men a similar practice is interpreted as a negative deviance from expectations directed at a dedicated worker. Other studies suggest that the potential negative impact of long leaves show large differences among women, and that the negative effects are found particularly among the highly educated.

The Nordic ‘fertility regime’ and parental leave

Recent fertility trends in Europe are characterised by significant differences in fertility levels, ranging from lowest-low fertility with total fertility rates below 1.3, to countries that have stabilised at moderately below-replacement fertility (Kohler et al., 2006). The Nordic countries go into the latter category, with total fertility rates ranging between 1.75 in Sweden to 2.03 in Iceland (Table 1).

Like in other western countries, Nordic fertility levels fell from the 1960s, but this trend reversed from the mid-1980s, and in the past decade fertility levels have been rather stable. The current similarities justify the label ‘Nordic fertility regime’, according to Andersson (2004). However, there have been some differences in the national paths leading to this pattern. The shift toward increasing fertility came later in Denmark than in Norway and Sweden. This is not easily explained, and Andersson (2004) suggest several possible explanations; for example the more urban culture and proximity to the continent, but also that the increase in fertility occurred in tandem with improving labour market opportunities and family policy reforms (Andersson, 2004). Further, in contrast to the stability in the other countries, Swedish total fertility rates have fluctuated drastically over the past decade.
Sweden had the highest fertility, close to reproduction level until the 1990s when fertility dropped significantly, to 1.5 children per woman. Since the late 1990s, fertility has increased.

Total fertility rates are a crude measure of fertility change, however (Rønsen & Skrede, 2006). A problem in the analysis of fertility change in the recent decades is the parallel restructuring of the temporal pattern of fertility behaviour; particularly delayed first births and different spacing of births. This may result in much larger changes in period fertility (total fertility rates), than in completed fertility rates of birth cohorts (Hoem, 2005). An interesting thing is that Nordic cohort fertility has been very stable, also in turbulent Sweden (Hoem, 2005). For example, women in the 1965 cohort who became mothers in the 1990s have fertility levels close to reproductive level (Table1), very similar to the preceding cohorts. This might indicate that low fertility rates are partly a transient phenomenon, arising from women postponing childbirth to later ages (Caldwell et al. 2002). The stability in individual fertility levels is striking in a period of profound change in the economic, political and cultural conditions of motherhood/parenthood.

**Links between parental leave and fertility**

Despite large national differences in fertility, the conventional wisdom is that the impact of family policies on fertility behaviour in general is negligible (Caldwell et al., 2002; Neyer, 2006). Caldwell et al.’s (2002) claim that through history most stra negative deviance from expectations directed at a dedicated worker. Other studies suggest that the potential negative impact of long leaves show large differences among women, and that the negative effects are found particularly among the highly educated. The Nordic ‘fertility regime’ and parental leaveRecent fertility trends in Europe are characterised by significant differences in fertility levels, ranging from lowest-low fertility with total fertility rates below 1.3, to countries that have stabilised at moderately below-Finland and Norway in the 1970s and the 1980s show that the extension of leave probably had a small, positive effect on fertility, particularly in Finland. However, the effects were limited to second and third births. A study of Finland and Norway focusing the importance of economic factors, including public policies, concludes that a variety of factors should be included when modelling fertility choices, and that the economic environment is important for the timing of births (Rønsen, 2004a).

One widely cited finding regarding the impact of parental leave policies, is the ‘speed premium’ in the Swedish leave system. Since 1980, a mother who has another child within 30
months will receive the same benefits as for the prior birth. This arrangement affects the
timing of births. For example, while 45 percent of Swedish mothers have their second child
within 30 months; the proportion is 30 percent among Norwegian mothers (Lappegård, 2001).
Moreover, the adaptation to this regulation immediately spread to all educational groups,
which “fits with the stereotype of Swedish society as having a large degree of homogeneity in
terms of social dynamics.” (Andersson, Hoem & Duvander, 2006: 65). But this arrangement
mainly affects the *timing*, and not the *number* of births, and thus not the level of fertility (Ds,
2001).

Norwegian women with low education traditionally have had the most children, while women
with high education more often remain childless (Rønsen, 2004b). The difference by
educational levels is smaller than one would expect from the rather large age differences at
first birth, amen postponing childbirth to later ages (Caldwell et al. 2002). The stability in
individual fertility levels is striking in a period of profound change in the economic, political
and cultural conditions of motherhood/parenthood. Links between parental leave and fertility
Despite large national differences in fertility, the conventional wisdom is that the impact of
family policies on fertility behaviour in general is negligible (Caldwell et al., 2002; Neyer,
2006). Caldwell et al.’s (2002) claim that through history most strategies for raising fertility
have been identified and tested, but that government expenditures aimed at raising fertility
achieve in industrialised democracies have achieved little or nothing. Also in this field the
timing of policy reform and behaviour is not correlated; for example, Hoem and Hoem (1996)
maintain that fertility in Sweden started to increase long before family policies were enacted.
Detailed studies of effects of parental leave on Nordic fertility indicate few direct positive
effects (Rønsen, 2004b). A study of ite good; it as “it is almost like the state asks you to get
children while you are under education.”5 However, delaying child birth until a permanent
job is secured makes sense if the financial security *beyond* the leave period is taken into
account. Having a secure job to return to after the leave period may be an important concern
of motherhood decisions.

*Employment and fertility*

A much studied concern in fertility research has been the relationship between women’s
labour market participation and fertility (Vikat, 2004). The previously negative association
between mother’s employment and fertility rates has turned into a positive relationship in
contemporary societies. Vikat (2004) substantiates the existence of a ‘Nordic family
formation pattern”: women who are employed have a higher change of getting their first or second child than women who are outside the labour market. Research shows that employment conditions are vital for Nordic women’s fertility decisions; not only the availability of jobs, but also the security of available jobs.

Sweden is Finland and Norway in the 1970s and the 1980s show that the extension of leave probably had a small, positive effect on fertility, particularly in Finland. However, the effects were limited to second and third births. A study of Finland and Norway focusing the importance of economic factors, including public policies, concludes that a variety of factors should be included when modelling fertility choices, and that the economic environment is important for the timing of births (Rønsen, 2004a). One widely cited finding regarding the impact of parental leave policies, is the ‘speed premium’ in the Swedish leave system. Since 1980, a mother who has another child within 30 months will receive the same benefits as for the prior birth. This arrangement affects the timing of births. For example, while 45 percent of Swedish mothers have their second child within 30 months; the proportion is 30 percent among Norwegian mothers (Lappegård, 2001). Moreover, the adaptation to this regulation immediately spread to all educational groups, which “fits with the stereotype: it is almost like the state asks you to get children while you are under education.” However, delaying child birth until a permanent job is secured makes sense if the financial security beyond the leave period is taken into account. Having a secure job to return to after the leave period may be an important concern of motherhood decisions. Employment and fertility A much studied concern in fertility research has been the relationship between women’s labour market participation and fertility (Vikat, 2004). The previously negative association between mother’s employment and fertility rates has turned into a positive relationship in contemporary societies. Vikat (2004) substantiates the existence of a ‘Nordic family formation pattern’: women who are employed have a higher change of getting their first or second child than women who are outside the labour market. Research shows that employment conditions are vital for Nordic women’s fertility decisions; not only the availability of jobs, but also the security of available jobs. Sweden is conditioned on the length of leave; long leaves tend to reduce the employment effect considerably. Long leaves for mothers may also be a significant risk for women’s careers, producing new stereotypes of the ‘woman worker’.
That similar parental leave policies have produced similar and high levels of employment and ‘highest-low’ fertility rates among women, is an overly simplistic version of the current Nordic success story. A main modification is the timing of the increase in mothers’ employment and the stabilising of fertility patterns: change in both occurred long before policy major extensions in parental leave programs took place in all the Nordic countries. The developments of parental leave policies demonstrate that the current Nordic similarities are reached along partly different paths; there have been important differences in the national timing and rationales of parental leave reforms, as well as varying degree of political struggles. What is more, the motivation of national policies has changed over time. Nordic policy differences become even more visible, when parental leave arrangements are assessed in the context of the entire national child care regime.

A common view is that a well functioning system of family policy arrangements may be a necessary, but not sufficient condition for fertility (Ds 2001, Rønsen 2004b). Still, while family policies seldom are the direct cause of change in social practices (noted exceptions are the daddy quotas and the Swedish speed-premium); the Nordic welfare states’ policy responses have changed the ‘decision matrix’ of succeeding generations.

Nordic similarities in labour market and fertility behaviour may not only in part be caused by different factors, but also by common factors other than parental leave/other family policy arrangements; that is other factors that may lower the threshold to parenthood. Hence, the Nordic ‘secret’ is likely to be multi-causal; apparently it is necessary to go beyond policy arrangement in the explanatory framework, particularly with regard to fertility. A useful approach is to identify constellations of factors at work, constituting national configurations. My suggestion is that there are certain benevolent constellations of policy, economy and culture at work.

Economically, the Nordic ‘employment societies’, with much lower unemployment rates than the rest of Europe (except Finland in certain periods), provide a conducive environment for both mothers’ employment choices and for entering parenthood. Labour market opportunities – providing more long term economic security, beyond the leave period - seem to be a crucial premise for Nordic parenthood. Moreover, Nordic working life is rather well regulated with regard to demands on employees, e.g. regarding working hours.
In addition to political and economic institutions, the *cultural institutions* of parenthood need to be included in the equation. The stability in Nordic cohort fertility rates suggests that the Nordic societies have created conditions favourable to child rearing in a period of profound change. A common denominator of the Nordic countries is that the universal process of disconnection between marriage patterns and fertility levels (Kohler *et al.* 2006) has gone the furthest. The relatively high Nordic fertility levels correlate with high proportions of extramarital births, varying between 40 and 64 percent (Table 1). Marriage is no longer the only legitimate institution for reproduction; most extramarital births in the Nordic countries include two parent families. The social acceptance of cohabitation without marriage is likely to lower the threshold of entering parenthood (Jensen, 2004). For example, the Swedish state does not support certain family forms, such as marriage (Andersson 2005). In the Nordic context, the societal focus on children is strong and increasing, children more or less constitute ‘the family’. With the ambiguous nature of parental leave policies in mind, shifts in policy emphasis from gender equality towards the somewhat unclear ‘best interest of the child’ might be a cause of concern. One may ask whether the Nordic welfare states are moving from ‘state feminism’ to ‘state childism’, and how that shift eventually will affect future employment and fertility behaviour.
References


Ot.prp. nr. 15 (1976-77). *Om lov om endringer i lov av 17. juni 1966 nr. 12 om folketrygd.*


**Box 1. Paid leave arrangements for parents in the Nordic countries. 2006**

<table>
<thead>
<tr>
<th>Country</th>
<th>Maternal Leave</th>
<th>Paternal Leave</th>
<th>Parental Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Denmark:</strong></td>
<td>18 weeks.</td>
<td>2 weeks in connection with birth.</td>
<td>32 weeks, may be prolonged with reduced benefits, parts of the leave can be taken until the child is 9 years old.</td>
</tr>
<tr>
<td><strong>Finland:</strong></td>
<td>4 months (105 week days).</td>
<td>1 month (if the father takes the last 2 weeks of the parental leave).</td>
<td>6 months (158 week days). When both parents work part-time, leave can be taken part-time.</td>
</tr>
<tr>
<td><strong>Iceland:</strong></td>
<td>3 months.</td>
<td>3 months.</td>
<td>3 months. Leave can be taken flexibly until the child is 18 months.</td>
</tr>
<tr>
<td><strong>Norway:</strong></td>
<td>9 weeks (3 weeks before birth).</td>
<td>6 weeks.</td>
<td>32 weeks, or 42 weeks with reduced compensation, may be taken on a part-time basis until the child is 2 years old.</td>
</tr>
<tr>
<td><strong>Sweden:</strong></td>
<td>2 months (8 weeks).</td>
<td>2 months (8 weeks + 2 weeks after the child’s birth).</td>
<td>9 months (+ 3 months with flat benefit), can be taken flexibly until the child is 8 years old.</td>
</tr>
</tbody>
</table>
Table 1. Fertility and extra-marital births in selected European countries.

<table>
<thead>
<tr>
<th></th>
<th>Total fertility rate, 2004 1)</th>
<th>Completed fertility rate 1965-cohort 2)</th>
<th>Extra-marital births %, 2003 2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iceland</td>
<td>2.03</td>
<td>2.36</td>
<td>64</td>
</tr>
<tr>
<td>Ireland</td>
<td>1.99</td>
<td>2.18</td>
<td>31</td>
</tr>
<tr>
<td>France</td>
<td>1.90</td>
<td>2.02</td>
<td>44 (2002)</td>
</tr>
<tr>
<td>Norway</td>
<td>1.81</td>
<td>2.06</td>
<td>50</td>
</tr>
<tr>
<td>Finland</td>
<td>1.80</td>
<td>1.91</td>
<td>40</td>
</tr>
<tr>
<td>Denmark</td>
<td>1.78</td>
<td>1.94</td>
<td>45</td>
</tr>
<tr>
<td>Sweden</td>
<td>1.75</td>
<td>1.98</td>
<td>56</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1.73</td>
<td>1.77</td>
<td>31</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1.74</td>
<td>1.90</td>
<td>42</td>
</tr>
<tr>
<td>Portugal</td>
<td>1.42</td>
<td>1.82</td>
<td>27</td>
</tr>
<tr>
<td>Austria</td>
<td>1.42</td>
<td>1.64</td>
<td>36</td>
</tr>
<tr>
<td>Germany</td>
<td>1.37</td>
<td>1.53</td>
<td>27</td>
</tr>
<tr>
<td>Italy</td>
<td>1.33</td>
<td>1.49</td>
<td>14</td>
</tr>
<tr>
<td>Spain</td>
<td>1.32</td>
<td>1.61</td>
<td>22 (2002)</td>
</tr>
<tr>
<td>Greece</td>
<td>1.29</td>
<td>1.75</td>
<td>4 (2002)</td>
</tr>
</tbody>
</table>

Notes

1 Entitled are employees with at least one year tenure with an employer, the right is individual non-transferable, available until biological or adopted children were eight years old (Haas 2003).
2 Leave arrangements for parents may consist of maternity leave and paternity leave, i.e. leave reserved for mothers and fathers respectively, and parental leave, i.e. to be shared among the parents as they wish. For the sake of simplification, parental leave is sometimes used as a synonym for leave arrangements for parents.
3 Fathers are entitled to the daddy quota if both the mother and the father have been in employment 6 of the 10 months prior to birth, and the mother must have worked 50 percent or more.
4 From 2006 reorganised as the Equality and Anti-discrimination Ombud.
5 Universitas 5.10.2005.