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**THE ROLE AND EFFECTIVENESS OF TIME POLICIES FOR RECONCILIATION OF CARE
RESPONSIBILITIES**

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THE ROLE AND EFFECTIVENESS OF TIME POLICIES FOR RECONCILIATION OF CARE RESPONSIBILITIES¹

by

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1. Introduction

1. The purpose of this paper is to review the available evidence on the role and effectiveness of different approaches to time-based policies designed to assist individuals in their role as carers (children and dependent adults) by enabling them to adjust the distribution of their work-time across the life course.

2. Time policies which contribute to the reconciliation of domestic care responsibilities with those of employment include the following:

- Maternity leave (and associated paternity leave periods for fathers which are usually much shorter) at the time of birth
- Parental leave and other family leave options (e.g. care for sick children)
- Part-time/reduced hours – where an important distinction to bear in mind is between those situations in which individuals are able to adjust their work hours in their existing job vis-à-vis a situation where part-time hours are secured via a job switch (internal to the firm or external via the labour market) with the risk that the vacancies open to them are in lower status, lower-paid positions.
- Other working-time adjustments – including flexitime and working time accounts, compressed working weeks, options for working from home

3. The other part of the jigsaw is childcare (and elder care) services – they are not ‘time policies’ as such but their availability or otherwise influences how employees with care responsibilities make use of the above time policies.

4. In this paper we focus on parental leave and on part-time hours (particularly the ‘right to request’ reduced/flexible hours which exists in a few countries), but we will also make brief mention of other

1 . Draft May 2007– to be finalised after the conference.

working-time adjustments. We discuss the implications of these policies for individuals' careers and income across their working life, for aggregate (and firm-level) labour supply. We argue that appropriately designed social policies in this arena enhance the capacities of individuals, families and communities to deal with life events and risks (arrival of children, care needs of fragile elder parents, labour market uncertainties and future job security/career progression, income security) and for societies to progress a range of social and economic objectives (raising the female employment rate and optimising the use made of women's skills; sustainable fertility patterns; enhanced child welfare and family cohesion; family capacities to provide informal care for the ageing population...).

5. While much of the empirical evidence reviewed is drawn from European countries (in part because it is here that the most extensive statutory provisions for parental leave are found); reference to evidence from non-European OECD countries is also made.

2. The impact of care responsibilities on women's employment over the life course

6. Women's labour market participation across their working lives has increased substantially over the past three to four decades in most OECD countries, eroding the gender gap in activity and employment rates. However, there are still pronounced national differences in the female employment rate, and the rate of part-time employment.

7. A key supply-side factor behind the gender gap in employment is that women still do most of the care work in households². Care responsibilities - for children and or incapacitated adults - impact on the employment patterns of many more women than men at different stages across the life course. The time and energy demands of care responsibilities typically reduce labour supply, career progression and lifetime earnings of more women than men.

8. One indicator of the proportion of the workforce with care responsibilities can be taken from a 1998 survey of 16 European countries (EU15 + Norway). This recorded that about one third of employed or job-seeking men and women had a dependent child (15% had a child under 6 years old). Thirteen per cent of women and ten percent of men who were employed or job-seeking had eldercare responsibilities, which rose to 20% of women and 15% of men among those aged 50-64 years old (Fagan 2001). The proportion with eldercare responsibilities is likely to be rising given demographic trends; while in some countries falling fertility rates may mean that the proportion of the workforce with children may be declining slightly.

2.1 Country differences in the impact of care responsibilities on women's employment participation

9. National 'work-family' policy provisions in conjunction with wider labour market measures (e.g. equal treatment provisions for part-time workers, regulatory limits on full-time hours) play a major role in shaping how care responsibilities (time, energy, financial demands) are managed by those women who become mothers or take on caring for dependent adults. Such policies also shape the gender division of care responsibilities by either creating incentives and support for men to increase their time contribution to care tasks or by reinforcing a traditional and separate demarcation of women as 'carers' and men as 'breadwinners'.

10. A high and continuous level of labour market participation across the life course has developed for women in the Nordic countries; supported by combinations of developed parental leave systems,

2 Women also constitute the majority of the employed care workforce (childcare, eldercare, healthcare, domestic service...).

options for part-time working and public childcare provision. The policy package varies among the Nordic countries, for example there is more emphasis on flexible leave entitlements in Sweden than Denmark (Leira 1994). In Finland the options for voluntary part-time working are more limited and less often used as a reconciliation strategy by parents; in the context of a much lower rate of part-time work across the economy even if it has begun to increase in recent years. In contrast, temporary reductions to part-time hours while children are young is common for Swedish mothers but they work longer part-time hours than is the case for mothers employed part-time in many other countries; typically a Swedish mother with a child aged under 7 years is employed, and is working an average 33 hours a week (Anxo et al. 2007a).

11. In some countries employment patterns have become more continuous for mothers with young children in recent cohorts achieved predominantly via a reduction to part-time hours at the onset of care responsibilities. Thus, mothers are resuming employment more quickly following maternity/parental leave in the Netherlands and the UK but it is common to switch to part-time hours. Similarly in Germany mothers typically work part-time if they resume employment after taking parental leave. Having made the switch, in these countries few mothers move back into full-time working when their children are older.

12. In other countries mothers divide between two or more routes across the child-rearing years. In France, for example, many mothers have a continuous and largely full-time employment profile when they have children, but a sizeable proportion exit employment (Anxo et al 2007a). Those who exit are mainly lower-qualified women who then face re-integration problems given the high female unemployment rates. Similarly, among Italian and Spanish women it is mainly the highly-educated mothers who pursue full-time employment. Labour market insecurities, high unemployment and the limited options for part-time working in these economies mean that women are faced with a choice of either remaining in full-time employment if they have it or making an exit after which re-entry is hard to achieve.

13. In other countries the arrival of a young child frequently precipitates a labour market exit for most mothers; particularly where there are limited maternity and parental leave entitlements and shortages of affordable and good quality childcare.

14. While we can distinguish typical national profiles it should also be remembered that differentiation between higher and lower qualified mothers is found in most countries. The higher qualified are more likely to be in a position to pursue a continuous employment profile, and in most cases are also more likely to continue in full-time hours. This is because not only do they face lower risks of unemployment; the jobs they have make it more worthwhile to pursue continuous employment – they are usually better-paid and more secure, childcare is thus more affordable and the opportunity costs of not pursuing a continuous (and full-time) career are higher in terms of foregone prospects for promotion and earnings progression.

2.2 The economic case for promoting the employment integration of supporting the employment integration of those with care responsibilities

15. Some economists assess the traditional gender division of labour in households –whereby women specialise in domestic responsibilities and men in market work – as an optimal arrangement in terms of efficiency gains through specialisation as well as reflecting private preferences and choices (Becker 1981). However, this is erroneous when evaluated from a life course perspective (Fagan and Rubery 1996). When women ‘over-specialise’ in domestic care responsibilities through labour market exits or long periods of part-time working not only do they forgo current earnings and human capital accumulation in the short-term; over the longer term they risk erosion of some of their occupational skills, slower career progression and reductions in their future earning capacity and pension accumulation. This labour market ‘care penalty’ exposes carers to increased risks of economic hardship and poverty across the life course for example, if

they become lone parent households; or if the main earner in couples loses (his) job through unemployment or ill-health; or as they retire.

16. Furthermore, there are macroeconomic gains to be had from policies which facilitate individuals' employment when they have care responsibilities (Fagan and Rubery 1996). Work-family policies enable employers to retain and develop experienced staff; the so-called 'business case' rationale for firm-level voluntary provision. There are also macroeconomic reasons for introducing economy-wide regulation rather than relying on individual firm 'business case' assessments. Firstly, such measures help to redress the aggregate under-utilisation of women's skills in the economy. Secondly, economy-wide rather than voluntary provision by companies means that the costs can be spread across all firms, and not just borne by those with a female-dominated workforce. Thirdly, it means a more even provision across the workforce that facilitates an economy-wide retention and development of the skills of those with care responsibilities. Fourthly, it helps to ensure a stable provision across the business cycle for firm-level provision is prone to cut-backs in times of recession yet curtailing work-family provisions can contribute to skill shortages when the economy picks up. A fifth reason is that promoting an 'adult-worker' model can reduce pressures on public expenditure and wage settlements compared to the 'male breadwinner' model of family life which increases the risks that households are exposed to poverty or that male-dominated sectors contend with bargaining for a 'breadwinner' wage supplement.

17. Finally, there is also a public interest in ensuring that workers are supported in their efforts to combine employment with care responsibilities: to promote sustainable fertility rates; enhance children's well-being, and to enable individuals to provide informal care to fragile elders and other dependent adults. This embraces broader concerns than just economic arguments about the returns from mobilising women into employment. It is about a broader conception of the value of care; a recognition of the time and physical presence of 'being there' involved in providing care and a broader conception of gender equality which requires changes in the way that employment is organised so that men as well as women can take on the time-demands of care responsibilities (Lewis 2006).

3. The role and efficacy of extended leave

18. Extended leave for child-related caring duties – commonly named parental leave— have a relatively recent history in most OECD countries, with the notable exception of Scandinavia, where they were introduced during the seventies. Depending on the country such work-life balance provisions are variously linked to concerns with child well-being, fertility decline, gender equality, tackling unemployment, or increasing the long-term sustainability of the welfare states and pension systems.

19. Maternity leave – adopted in most OECD countries well before paternal and parental leave – could be considered an early precursor of work-life balance policies. However, assessments of the effects of maternity vis-à-vis parental leave measures seem to differ. There seems to be a consensus around the fact that in countries where paid maternity leave was brought in, it had a positive impact on the reconciliation of work and care duties, child welfare and gender equality. As an example research suggests that in Britain where paid maternity leave was only introduced at the turn of the eighties – it had a marked positive impact on women's subsequent probability to have returned to work full-time to their previous employer (Mc Rae 1991; Ruhm 1998; Waldfogel, Higuchi et al 1998).

20. However, as far as parental leave provisions are concerned, the impact on women's further participation in the labour market is more variable. This reflects the large diversity among existing arrangements and how the leave scheme articulates with other policies and the broader economic and social context in which they have been introduced (Fagan and Rubery, 1996, Moss et al 1999; Waldfogel, Higuchi et al 1998, Gornick and Meyer 2003).

21. Parental leave may encourage women to reduce their labour supply when their children are young, but a net increase in female labour supply can be expected for two reasons. First, women may be encouraged to enter employment and/or work full-time up to the birth of a child in order to build up their entitlement (OECD 1995, Employment Outlook p189). Secondly, leave provides some protection of job position and earnings level, in contrast to the situation faced by women who are forced to quit when they want time-off for child-rearing and then re-enter the labour market with all the job search risks that entails.

22. However, while parental leave strengthens women's labour market attachment it may also reinforce their 'second-earner' status in couples, depending on the detail of the scheme and how it interacts with the societal and economic context. There are four main considerations: the level of financial payment received while on leave; the length and flexibility of the leave entitlement; whether it is complemented by childcare provision and whether men also take leave for care responsibilities.

23. Parental leave which is unpaid does little to transform gender relations because it presumes that the leave-taker has an employed partner or other means of financial support. This situation is exacerbated when the leave is allocated per family rather than per individual, for this means there is no incentive for the man to take a portion of the leave. Unless there is a high earnings replacement rate there is a financial incentive for the woman to take the leave in couple households given that on average women's earnings are lower than those of their domestic partner. A low earnings replacement rate thus reinforces, or introduces, the pattern of women taking time off to care for children. Furthermore, lone parents and low-income couples will not be able to afford to take leave.

24. If the leave period is too long this can create problems of re-integration, erosion of human capital and discrimination given that long periods of leave are overwhelmingly taken up by women. The consensus which seems to be emerging is that while leave periods of about a year strengthen women's labour market attachment, the effects of longer leave periods can be more problematic (Gornick and Meyer 2003, OECD 2001). A more optimal arrangement may be to build flexibility into schemes for parents to work reduced hours or to spread it across several periods rather than in one long block. The design of parental leave must also be developed in conjunction with complementary childcare services (pre-school and out-of-school), for unless parental leave is coordinated with childcare services the leave entitlement may simply serve to postpone the point at which women exit the labour market.

3.1 Parental leave arrangements in selected OECD countries

25. When considering parental leave provisions, significant variations could be observed across the OECD countries examined, in terms of duration, flexibility, levels of income replacement, or the relation to other provisions, such as the supply of public childcare or working-time regulations. An initial difference arises from the fact that in a few countries such as Norway, Iceland or Sweden, paternity, maternity and parental leave are only loosely formally distinguished if at all, and should rather be considered to part of the same package. However, most other countries retain the formal distinction between the three types of leave.

26. The detail of the parental leave arrangements in OECD member countries is presented in appendix A.1 In this discussion we develop the analysis with a focus particularly on the different arrangements which exist in four of the Nordic countries (Sweden, Norway, Denmark, and Finland) plus Slovenia, Hungary, the Czech Republic, Germany, France, Belgium, the UK, Japan and Australia.

Duration and income replacement

27. The duration of parental leave is likely to affect economic activity and working-time options among fathers and mothers in various ways (see section 4). A broad distinction can be drawn between

countries according to whether they offer relatively generous earnings-related benefits for a shorter period of time or smaller benefits over a longer period, with Sweden standing out in that it tends to offer both. However, in order to fully appreciate the full range of provisions accessible to parents one should also consider the additional leave provisions presented in section 3.3.

28. In some countries, the standard duration of parental leave is expressed in terms of the age of the child only, rather than as an entitlement measured in months, days, or weeks. In these cases, parental leave is usually targeted at parents of children under three: such is the case of the flat-rate *GYES* in Hungary, the Czech Republic, Germany, or France. The level of payment made in these countries is relatively low for these long leave periods, with the exception of the first year for insured parents in Hungary.

29. Other countries assign significantly shorter periods by specifying the actual duration of the leave, such as in Finland, Norway, Denmark, Belgium, Japan or the UK. However, apart from Norway, this is usually accompanied by more flexibility in the timeframe during which the leave might be taken, usually until the child reaches school age. There are, however substantial differences between the unpaid or low paid British, Japanese and to a lesser extent, Belgian schemes, and the more generous ones that are in force in Nordic countries.

30. The level of income replacement varies widely across the countries examined. In Norway, Sweden, Denmark and Slovenia, parental benefit is earnings-related and income is high, up to 100 percent, although for various periods of time. The Swedish parental leave system combines a high replacement rate of 80 percent, with the longest paid period of the countries analysed in this report: 390 days, followed by a flat-rate lower allowance. Similarly, Norway and Denmark provide a 100 percent replacement rate, but for a shorter period: respectively 29 and 32 weeks. In these three countries, however, a ceiling applies. By contrast, in Slovenia, income replacement for insured parents reaches 100 percent of previous earnings for a long period (260 days – about 43 weeks), without a threshold. Unclaimed benefits can be paid after the period of parental leave.

31. Two other countries provide more moderate income replacement schemes for parents taking up parental leave. In Hungary, parental benefits *GYED* is paid at 70 percent of previous earnings for two years, followed by a low level flat-rate allowance (*GYES*) that is also a substitute for uninsured parents, whereas in Finland, on the average parental allowance represent 66 percent of past earnings for 158 working days – about 26 weeks, followed by a more modest flat-rate benefit paid until the child is 3. Further leave is only paid on a part-time basis.

32. A few countries provide limited flat-rate parental or childcare benefit, either on a universal or a means-tested basis, often for longer than in the case of earnings-related schemes. In France, both the *Allocation Parentale d'Education* (APE - in force for children born until 2004 and the CLCA introduced in 2005 represent less than half the average earnings, even though the latter provision requires one parent to stop working in order to qualify. In Germany, the *Elterngeld* is a low means-tested benefit only provided to families earning less than a relatively low threshold, although it can be topped up in a few Lander, such as Bavaria. It is to be noted though that in the French case, these benefits do not only apply to parents taking the parental leave. In the Czech Republic, the parental benefit represents only a small fraction of the average income, even though it is paid until the child is four years old. In Belgium a flat rate allowance is provided for parents taking parental leave whose full time duration is relatively shorter than in other countries: 3 months.

33. Finally, at the other end of the spectrum, countries such as Australia, the UK or the United States have no provision for paid parental leave. The gap may or may not be covered – but only to a limited extent – by collective bargaining or regional policies. It was thus estimated that in the UK paid parental leave was available to 3 percent of the workplaces as a result of collective agreements whereas in the

United States the State of California provides an earnings-related insurance scheme comparable to that of Continental European Welfare states (Gornick and Meyer 2003).

Flexibility

34. Flexibility in parental leave may take the shape of greater discretion in the ways additional days may be taken by parents before or even slightly after a child has reached school age. It may also concern the ability to combine leave with part-time work in various permutations. In some countries, parents are allowed to take their parental leave and combine it with paid work in multiple flexible ways. Similarly, leave may be taken in a large number of blocks rather than just one or two spells. In addition, leave may be taken over an extended period of time, rather than concentrated on the early years of the child's life. Arguably Sweden is the country offering the highest degree of flexibility of parental leave among the cases considered in this paper. Until a child is aged 8, Swedish parents may take up to three blocks of leave a year and combine it with paid work up to a 1/8 of time – that is about half a day a week. No other country seems to offer such a degree of flexibility.

35. However, in recent years most other countries have increased the flexibility of their parental leave provisions (Fagan & Hobson 2006). In Belgium, Norway, Denmark, Finland, Germany, Slovenia the Czech Republic parental leave may be combined with part-time work, although to different degrees: thus in Slovenia, only half-time leave is allowed and in Germany, part-time leave is only allowed in companies with more than 15 employees. In most other countries, the agreement of the employer is required for the part-time leave to be taken. By contrast, in Hungary, no parental benefit may be combined with paid work until the child is one. Similarly, in France, although the former APE did not prevent parents from combining part-time work and leave, the recently introduced CLCA actually requires one of the two parents to stop working in order to become eligible.

36. In terms of the time range of the leave, parental leave may be taken over a variable number of years. In Sweden, Denmark, Belgium, Finland, and Slovenia at least part of the leave is available to be taken until the child reaches school age. The highest span is in Sweden, where parents of children up to 8 years old are allowed to take as many days of parental leave as they wish. It is slightly lower in Belgium, where the threshold is set at 6 years old. Similarly, Danish parents are entitled to 8 to 13 weeks of parental leave out of a total of 39 weeks until the child is nine. In Finland, when taken on a part-time basis, the childcare leave allows for parents to take-up days up until the child is in the second year at school.

37. To a lesser extent, 75 out of the 260 days of parental leave in Slovenia may be taken at any time until the child is eight years old. By contrast, France, Germany, the Czech Republic, Hungary, Norway do not provide for paid parental leave beyond the age of three years. In Norway, the parental leave may only be taken until a child is two, thus limiting the ability to take further leave when a child is older. Although there is a system of part-time leave in conjunction with a time account, commentators report that the low take-up indicates that this arrangement is not practical for parents to make use of. There is however up to one year unpaid leave available to parents once the paid leave has ended.

38. Finally, countries may allow for the parental leave to be split into variables number of blocks. The larger the number of blocks, the more parents may flexibly adapt to circumstances of family life. Sweden allows for up to three blocks a years, whereas in most other countries, this flexibility is more limited. Belgium allows for a fixed number of sequences of full-time, part-time and 1/5 time leaves to be taken, whereas in Norway and Denmark this number is more limited. Similarly, Germany allows the parental leave to be split in two blocks.

Integration with other provisions or policies

39. In a few countries, part of the parental leave provision is explicitly intended as an alternative to using public childcare. In this case, parents may be ineligible to claim parental benefits if children attend formal childcare beyond a certain threshold. There has been a move in that direction in some Nordic countries where the supply of public childcare has been traditionally strong, such as Finland, Norway and Denmark since the reform of 2002. This has been acknowledged as right for parents to care for their children themselves and receive a compensation for not using public childcare (Ellingsaeter 2006). Similar provisions are in place in the Czech Republic.

40. In two other countries, parental leave seems to be interacting with other labour market policies: in France and Hungary, countries with high unemployment levels, some or all of the benefits may not be combined with paid work -- which in practice may result in total retreat from the labour market for some mothers.

41. In a distinct fashion from paternity leave, extended family leave may be used as an additional tool to promote gender equality targets. In most cases parental leave is a family entitlement, with the mothers taking the majority of the days, and fathers lagging well behind. Nonetheless there are parental leave arrangements providing incentives to increase take-up by fathers, usually as daddy days – i.e. days explicitly reserved for fathers. In Sweden, 60 days can exclusively be taken by the fathers and are lost if not taken. The remaining 360 days are individual entitlements that may be exchanged between parents, rather than a joint entitlement. A similar quota is in place in Norway, where fathers are entitled to up to 6 weeks until the child is years old. With a similar objective, in Finland, the duration of the paid parental leave is increased by a bonus of 12 days, if the father takes 12 days of the joint entitlement. Other countries may have adopted comparable provisions, but stop short of providing fathers with a high income-related benefit: this is the case of Belgium, Denmark, where parental leave is either individual entitlements, but paid only to a limited extent, or with unpaid daddy days in the case of Slovenia. Denmark abolished the daddy days in 2002.

42. It might be noteworthy that two countries have formalised the exchange of days of parental leave between the mother and the father, probably in order to ‘denaturalise’ the traditional high take-up by mother: in Sweden and Slovenia where half of the total number of days of the parental leave is reserved to each parent, transfer of entitlements between fathers and mothers has to be carried out in a written form.

3.2 Take-up of parental leave

Household take-up rates

43. There are no harmonised statistics available on the individual take-up of parental leave in countries members of the OECD. There are only a limited number of estimates of either the number of claimants or the number of days taken are available, as well as indications about the characteristics of the parents who are more or less likely to take leave. In addition, the data available is not always very recent; and often it is difficult to draw reliable comparisons across countries because of differences in eligibility conditions.

44. In approximately half the countries reviewed, the take-up of parental leave per eligible household was high – between 90 and 100 percent. This applies for Sweden, Denmark, Germany, Slovenia, Finland, the Czech Republic, Norway and Hungary.

45. In the Nordic countries such as Norway, Sweden or Denmark, take-up of parental leave has traditionally been high. In Sweden, most parents use parental leave provisions. 97 percent of the parents of children born in 1991-3 used the earnings-related leave, 90 percent the flat-rate leave, whereas 60 percent

took the parental leave in full (Nyberg 2004). Research show a preference for a period of full-time leave until the child is 18 months old, age at which formal care becomes available (Moss and O'Brien 2006). Although different conditions of entitlement in Norway mean that about a quarter of households do not qualify for the paid leave, take-up was similarly high.

46. In Germany, the take-up of parental leave is indirectly linked to unemployment, given the conditions of entitlement, thus being lower in former East Germany. In 2003, 26.8 percent of all households with newborn children or 15 percent of eligible households did not take up the leave (Plantenga et al 2005). The take-up was said to be higher among those working in the public sector, in larger companies, or who were working more than 19 hours a week. However, the latter may also be linked to the higher availability of public childcare in former East Germany (Moss and O'Brien 2006).

47. There are no statistics available on the take-up of parental leave in France, but indirect evidence suggest that the parental benefit – APE, taken by 563,000 recipients in 2003 – has had an impact on the fall in economic activity rate of mothers of lower occupational background with two children, one of whom is under 3 (Moss and O'Brien 2006).

48. In the UK, parental leave is seldom taken by parents of children under 2: 11 percent of mothers and 8 percent of the fathers had taken days of parental leave since the end of the maternity leave. In most cases, the leave was taken for a short period of time i.e. a week or less – by both parents. Take-up of unpaid leave for dependents is also small, less than 30 percent, and smaller among fathers – 22 against 29 percent for mothers (Moss and O'Brien 2006).

49. In Australia, where there is no general paid parental leave provision, the proportion of women taking the leave 1999-2000 was only 0.3 percent, as opposed to 3 percent in Denmark. Low take-up is also common among Australian men, who are said to take only a few days around childbirth (OECD 2002:130)

Gendered uptake patterns

50. Unsurprisingly, the pattern of take-up of parental leave provisions is markedly gendered: the overwhelming majority of parents who take up parental leave are women. More fathers are taking parental leave but the number of days taken is usually much smaller than women. There are however significant differences across countries.

51. In Sweden, 90 percent of fathers took a PL, the majority of which took place when their children were aged 13-15 months, whereas mothers tended to take the leave before the child is aged 12 months (Nyberg 2004). This figure might slightly be overstated since the Swedish system does not draw a distinction between paternity and parental leave. However, even though the take-up of parental leave in Sweden is among the highest in Europe, the numbers of days taken by fathers as compared to mothers is still small. It was estimated that fathers of children born in 1999 had taken an average of 43 days of parental leave – against 338 days for women, by the time their child was 4. It is also reported that fathers are more likely to take days paid at the more generous rate rather than the flat-rate. This, as well as the generally lower take-up level of fathers when the benefit is less generous is usually attributed to the breadwinning role a significant numbers of men are still playing in families.

52. In Denmark, 93 percent of mothers of children born in 2002/2003 took some type of parental leave before or after their birth, against 62 percent of fathers. 55 percent of these children had both parents taking leave. On the average, mothers took 351 days whereas fathers took 25 days (Moss and O'Brien 2006). Younger mothers or self-employed mothers and fathers are less likely to take leave than older or employed mothers.

53. In Finland, it is also estimated that almost all mothers take parental leave, against only 2.6 percent of fathers in 2002 whereas the average number of days taken was 64 days (Sutela, 2004).

54. In Germany, prior to the reform of the parental leave system in 2001, 56 percent of the women who used the parental leave took it full-time for more than one time a year, whereas close to 30 percent took it for more than two years (Plantenga et al, 2005). In 2003, take-up among eligible fathers was estimated at 5 percent, up from 1.5 percent previously (Plantenga et al, 2005). Another study found that in 2003, among households taking up parental leave the more typical configuration – representing about 60 percent – was made of father working full-time/mother in full-time leave. In another third (32 percent) the father worked full-time while the mother worked part time, usually for less than 15 hours a week.

55. In the Czech Republic, the ratio of men to women receiving the parental benefit is tiny, and grew slightly from 0.77 percent in 2001 to 1.39 percent in 2005. The number of women taking parental leave grew from 263,865 in 2001 to 287,710 in 2005. Research showed that enduring beliefs in the traditional caring roles of women, together with the financial disincentives due to the low replacement rate of the parental benefit could account for this difference (European Foundation, 2006).

56. Data about take-up of parental leave in Hungary are scarce being only available about the monthly number of recipients of both GYED and GYES. The proportion of recipients to the population aged 16 and over was 3.8 percent in 2003. This figure had been oscillating between 3.7 and 4 percent since 1992 (Moss and O'Brien 2006). It is also estimated that less than one percent of the parents on leave were fathers (Fodor, 2004).

57. From the perspective of the establishment, a survey carried out in 2003-4 among EU 25 establishments found that between two thirds and 70% of employers in Sweden, Slovenia and Finland had recent experience of fathers' taking parental leave; whereas the experience was less widespread among employers in other countries. Firms in the Czech Republic and Hungary were the least likely to have had experience of fathers taking parental leave (Anxo et al 2007b, Riedmann, 2006).

Take-up, gender and social background: a mixed picture

58. Research on the characteristics of mothers and fathers taking leave tend to show that women with higher level qualifications are less likely to take parental leave, or to do so for shorter periods, than women with lower qualifications or in lower skilled occupations. The picture is reversed for men.

59. In Sweden, take-up by fathers is linked to their educational attainment as well as that of mothers: it is lowest in families where both parents did not have any higher education. Similarly, fathers with a higher income are more likely to take leave. This is however the case up to a threshold beyond which take-up decreases again (Nyberg, 2004). Take-up is also lower among fathers born outside Sweden as well as fathers with a more fragile situation on the labour market – i.e. unemployed or on low incomes.

60. In Finland, research has shown that take up is higher among middle-income men with white collar jobs in healthcare, or manufacturing industries, or whose partner is highly educated and also in a white collar position. The length of leave is linked to the father's age, with fathers in their thirties more likely to take longer leave than younger and older fathers (Moss and O'Brien, 2006). Take-up among fathers is also higher among those in higher occupations or with a higher level of education, but the duration of the leave is shorter among the same group. So far, only a very small number of parents have taken the new joint part-time leave. Research reported that 60 percent of the mothers whose partner did not take parental leave, and 50 percent of the fathers who did take paternity leave but not parental leave thought it would not have been financially possible (Sutela, 2004).

61. In Germany also women with higher earnings or education levels with fewer children were more likely to be employed than women with lower earnings, a lower education or more children (Plantenga et al, 2005). Among the factors seen as influencing these working-time arrangements were the following: whether or not parents could afford a reduction in their working-time as well as the availability of childcare both in terms of quantity and quality, which seems to be a problem in former West Germany.

62. In France, the parental benefit APE tends to be taken by women who were previously employed rather than inactive or unemployed, or whose working conditions were more demanding, in which case APE and PL is seen as a convenient 'way out'. Take-up by fathers is very low.

63. The Hungarian parental leave has been labelled as a two-tier system, with parents experiencing more favourable employment conditions entitled to the shorter, more generous, earnings-related GYED benefit. By contrast, other parents may take the lesser paid, GYES or GYET, they also experience longer breaks away from the labour market. Women in professional occupations took shorter leaves (3-9 months) than those in blue collar or routine occupations who tended to take the full three years (Plantenga and Remery, 2006).

The impact of fathers' quotas

64. Even if small and in some countries, tiny, the share of days of parental leave taken by fathers has been slowly increasing. In countries where a father's quota has been introduced, this increase has been more markedly on the rise, suggesting that fathers' days in conjunction with a high replacement rate might be one of the keys towards more balanced caring roles between men and women.

65. In Finland, additional research has shown that the number of fathers taking the leave, even if small, has increased since the introduction of a father's bonus in 2003. After the introduction of the bonus weeks, take-up has tripled between 2002 and 2004 among fathers, but at the same time, the number of days taken decreased.

66. In most Nordic countries, take-up of leave by fathers has increased since the beginning of the 1990s. The exception is Denmark where the upward trend has been suppressed. In Sweden, fathers of children born in 1993 used very little parental allowance days, against only 25 percent of fathers once the daddy months was introduced (Nyberg 2004). Other research found a clear impact of the daddy month among a cohort of children born in between 1993 and 1994 with the average number of days taken by fathers rising from 30 to 45 after the reform was introduced, and the proportion of fathers taking up to 30 days (Ekberg Eriksson et al 2005).

3.3 Employers' perspectives on parental and other extended family leave – some evidence from the European Foundation's Company Survey on Working-time

67. A 2004-5 survey of companies in 21 European countries (see appendix A.2) revealed that between 80-90% of Swedish and Finnish companies had employees on parental leave in the previous 3 year period; dropping to between 50-63% of companies in 14 of the countries surveyed, falling to less than half of companies in five countries (Ireland, Netherlands, Poland, Portugal and Spain). These national differences are partly attributed to the type of statutory provisions (especially duration of leave) and the typical eligibility and take-up rates by employees. Large private sector establishments, those in the public sector and those with a large presence of women in the workforce were the most likely to have experience of parental leave.

68. Overall, only 11% of companies with experience of parental leave reported operational problems relating to parental leave; although the proportion varied across countries. The main problems that employers reported were finding replacement staff, continuity of cover and uncertainty about if and when

those employees on leave will return. The main strategies for managing leave were new temporary hires or redistributing work among existing employees (Anxo et al. 2007a).

3.4 Other types of leave – leave to care for sick dependents (children and adults)

69. Aside from parental leave provision, some countries also provide leave for the care of sick dependents. In most cases however, the number of days is limited to about 10 per year: such is the case in Germany, Norway and Slovenia. In Belgium, France, the UK or Australia, either the number of days is limited, the leave is unpaid, or the conditions limit the entitlement.

70. A few other countries provide for more extended types of leave that meet caring needs in relation to older children or relatives. In Hungary, the Czech Republic or Finland, leave provisions for sick relatives are notably more flexible and provide for a larger number of days off. In Hungary, the number of paid leave days that can be taken for the care of sick children varies from unlimited when the child is under one to 14 days when the child is aged 6 to 12. Parents of children aged 1 to 3 may take up to 84 days per children aged 12 to 35 months. This leave is paid at 70 percent of previous earning (Moss and O'Brien 2006). In the Czech Republic, up to 9 consecutive days may be taken in order to care for a sick relative. However, there is no statutory limit on the number of days that can be taken which suggest that this provision might be used flexibly by parents. Similarly generous and flexible days of leave for sick relatives are included in some collective agreements in Finland.

71. There are a few examples of systems which permit more extensive periods of leave or working-time adjustments for care reasons beyond the specifics of parental leave provisions. In Belgium, the time credit system allows for paid extended leave – up to one year when conditions are met. However, only employees with a relatively long employment history with the same employer – 5 years – are entitled to the scheme. In addition, the right is subject to a threshold of 5 percent of employees taking the leave within the same company in any given year. The British statutory right for parents of young children and some carers of adult dependents to request flexible or reduced working time provides a comparable approach.

72. Other more general working-time options can also be used by employees to make adjustments in order to care for children or adults. These include the individual right to request part-time working which exists in the Netherlands and Germany and is not tied to care responsibilities; and the development of working time accounts in countries such as Germany and Sweden which in principle provide workers with the scope to 'save and spend' their time across the life-course to accommodate changes in their domestic situation; including shifts in the extent and type of care responsibilities they have (Anxo and Boulin 2005, 2006).

4. The role and efficacy of different forms of part-time work

This section is still partly in note form

73. Part-time or reduced working hours may also play a role in the reconciliation of employment with care responsibilities.

74. Options to take parental leave on a part-time basis may be preferable to lengthy full-time absences for employer and employee. This option provides scope for maintaining employability and skill development, income, and can have workplace operational gains such as continuity and staff cover.

75. There is evidence that the workforce would like more opportunities for part-time work at some stage during their life course. Surveys across industrialised countries reveal that a sizeable proportion of full-timers would prefer to work part-time for a few years; many part-timers would like longer part-time hours or to switch to full-time hours and among both full-timers and part-timers there is a desire for more

flexibility in working-time options – such as working-time accounts, flexitime, extended leave for training, care, sabbaticals (Fagan 2004). For example, a 1998 survey of 16 European countries (EU15+Norway) found that 23% of employed women working FT and 19% of employed men working FT would prefer PT hours accompanied by a pro rata earnings reduction (Fagan 2001). However, many had not requested a reduction because they think their employer will block it or their career will be penalized.

76. In some countries there is evidence of latent demand among non-employed women for more opportunities to work part-time – particularly where this is no established tradition of full-time employment for mothers. However, in some countries where part-time work is not established there may not be a latent demand for part-time work (little expressed preference by the non-employed or the FT employed for part-time work)

4.1 National differences in the extent and quality of part-time work

77. The rate of part-time employment varies markedly across countries. Among European countries the highest rates among women are recorded in the Netherlands (75%), followed some way behind by the UK, Germany, Luxembourg, Belgium, Austria and Sweden (see table 1). While the proportion of part-time work has been increasing in most EU countries over the last years, the proportion of involuntary part-time also increased³. At EU level, the share of involuntary part-time employment has been rising since the nineties, reflecting a strong increase especially in the Czech Republic, France and Germany (Eurostat, Employment in Europe, 2005). The rise in involuntary part-time employment is observed for both men and women, although in general men tend to be overrepresented among involuntary part-timers (but women still account for the majority of involuntary part-timers).

78. Part-time work is viable for enhancing work-life balance, but there is a risk that the expansion of part-time work can reinforce or even widen gender inequalities if part-time work channels women into poorer job areas.

79. The key issue is the quality and reversibility of this working pattern over the life course (vis-à-vis segregation, loss of career progression....).

- Equal treatment principle implementation...
- Currently PT jobs created in a narrow range of service functions (low pay, low skill)
- Career progression limited in most countries – women's skills are under-employed (and under-developed where they lose access to training)

80. The right to request reduced/flexible hours is the most employee-oriented form of PTW or flexible working (including options for taking parental leave on a PT basis)

- Includes right to PTW within parental leave e.g. Sweden; where since 1978 parents have also had the right to work a 6 hour day until their child is 8 years old
- Reduces risks of career penalties from opting out of the full-time norm
- Increased security of route for returning to full-time working

3. People who declare in surveys that they work part-time because they could not find a full time job, but would prefer to work longer hours.

Table 1: Countries ranked by the percentage of the employed who work part-time, 2005

	The % of the employed (15 years or older) who work part-time		
	Men and women	Men	Women
NL	46	23	75
UK	25	10	43
DE	24	8	43
SE	24	11	38
BE	22	8	40
DK	22	13	33
AT	21	6	39
EU-25	18	7	32
LU*	18	2	40
FR	17	6	30
FI	13	9	17
IE	12	5	22
IT	12	4	25
ES	12	4	23
PL	11	8	15
PT	11	7	16
CY	9	5	14
SI	9	7	11
LV	7	6	10
EL	5	2	9
CZ	5	2	9
HU	4	3	6

Note: * data for Luxembourg is for 2004

Source: Eurostat, Statistics in Focus 'Labour Market Trends – 3rd quarter 2005 data' Population and social conditions, 6/2006, table 6

81. Of particular interest is whether firms offer some form of reversibility to their employees, which is a fairly new development that has started to emerge in some economies. This is a potentially important mechanism for expanding the opportunities for good quality part-time employment in a wider range of occupational positions and levels and for facilitating working-time transitions over the life course.

82. The proportion of firms which have options for part-time and flexible working have increased over recent years in some countries.

83. In a number of countries parents have specified statutory rights to work part-time during parental leave periods (see Anxo et al, 2006b, for the European Foundation). On this form of part-time employment the most significant example is Sweden, where the system is one of the most generous and flexible and where parental leave can be used to reduce working hours to part-time while the child is pre-school. As a result many mothers in Sweden use parental leave to secure part-time working, but where the working hours are typically longer than those worked by mothers in other countries where maternal employment is typically part-time (i.e. Netherlands, UK, Denmark) (Anxo et al, 2007c). There is also a lot of scope and flexibility within the Danish parental leave system to take leave on a part-time basis. In many other countries there are also some options for part-time employment within the parental leave system, or for parents to work reduced hours following parental leave until the child enters school, but these provisions are generally used less widely. In some countries there are no statutory provisions for parental leave to be

used on a part-time basis (e.g. Italy, the Czech Republic, Poland) while part-time work in the French leave system is limited to a few hours per week/month⁴ (see Anxo et al, 2006b for more detail).

84. Finally, in a few countries there are other working-time regulations other than those connected with parental leave which give employees certain rights to work part-time. In Belgium the statutory parental leave provisions are a specific component of a broader reaching statutory package of time credit and 'career break' schemes that include the right for eligible employees to reduce to part-time hours for a finite period (either a 50% or 20% reduction)⁵. The 20% reduction (typically from a five to a four-day week) is the most popular option for those taking parental leave (Plantenga and Remery, 2005: box 5) and more generally the part-time option has been a popular way of using these schemes by employees of both sexes at different stages in their life course. Recent reforms in the Netherlands, Germany and the UK have introduced new individual rights for employees to switch to part-time work. There are important differences between these new regulations. In Germany, all employees in firms with 15 or more employees have the right to work part-time, in the UK all employees with a young child (due to be extended to encompass other care responsibilities) have the right to request flexible or part-time hours, while the Dutch legislation provides the most comprehensive provision giving all employees the right to adjust their hours to part-time and reversibility between part-time and full-time hours. Of these three, the Dutch provisions are the most extensive, while the UK legislation is the weakest and is further undermined by limited collective bargaining coverage.

85. There are salient differences in the quality of part-time across countries. The opportunities for good quality part-time work are greatest when part-time employment is integrated alongside full-time employment rather than marginalised as secondary form of employment (on the basic presumption that at least some of the full-time employment available in the economy is of a decent standard). This means that if people are working part-time they have equal treatment and equal opportunities across the working life; in other words where the difference between full-time and part-time employment is reduced hours and where there is no substantial 'part-time penalty' in the form of reduced pay rates, social protection or opportunities for employment progression over the working life.

86. For example, the Dutch part-time model delivers a better quality and more integrated form of part-time work compared to the situation in the UK in terms of the occupational profile and hourly earnings relative to that of full-time jobs, and the protection afforded to part-timers within labour law and the social protection system. By comparison the UK part-time model is characterized by a pre-dominance of very poor quality part-time work, with Germany ranked between the two (Plantenga, 1997; Fagan et al., 1998). This can be traced to the different approaches to flexibility pursued by government and the social partners in these two countries over the 1980s and 1990s (Fagan et al. 1998, Fagan and Ward 2003, Yerkes

4. In France, employees (with at least one year tenure with a company) can ask for a parental leave that may be part-time, but they have to work at least 16 hours per week. Fathers and mothers are eligible until the child is three years old. In addition, employees who are parents of a handicapped or a seriously ill child under 20 years old are eligible for leave that can also be taken part-time (i.e. 'congé de présence parentale') for a duration of 4 months which can be re-granted twice up to a maximum of 12 months. The employees can receive an allowance from the Family Policy Fond. Furthermore an employee with a parent, a child or a relative nearing the end of their lifetime is eligible for leave (i.e. 'congé de solidarité familiale') which can be taken part-time. The shift from full-time to part-time work requires the agreement of the employer with the leave duration for a maximum of 3 months which may be re-granted once.

5. The Belgian career break scheme was introduced in 1985 for the public and private sectors. In 2002 the private sector career break scheme was replaced by a broader and more flexible time-credit scheme which includes the right for employees to a 20% working-time reduction for a maximum of five years. The 2005 National Reform Programme for Belgium details the intention of the government to restrict the duration of time credits from five to one year to prevent older employees saving their credits to use for early retirement from the labour market.

and Visser, 2006). The pay penalty for periods of part-time work is particularly pronounced in the United Kingdom both in terms of hourly rates for part-timers and the reduced progression in careers and earnings over the life course following a period of part-time work (Francesconi and Gosling, 2005; Manning and Petrongolo, 2005).

87. These national differences in the quality of part-time work available persist even under the most recent reforms which have occurred in these three countries. For example, in recent years new statutory rights for full-time employees to request part-time hours have been introduced in all three countries. The strongest and most developed legislation is found in The Netherlands whereas the United Kingdom's provisions are the most recent and provide the weakest statutory protection (Fagan et al., 2006). Furthermore, these reforms in The Netherlands and Germany have occurred within an established framework of working-time regulation to curtail long hours and enhance individual flexibility for full-time workers in contrast to the situation in the United Kingdom. The lack of effective limits on long hours working in the United Kingdom exists in conjunction with high wage inequality coupled with a high earnings return to education, plus a low-wage service economy which makes it possible for high-earners to outsource some domestic tasks to the market. The outcome is that the United Kingdom has one of the highest rates of long hours working for full-timers in Europe and a very pronounced gender gap in working hours despite the relatively high employment rate for both sexes (see Anxo and O' Reilly, 2002; Fagan, 2004).

88. According to the latest results of the European Working Conditions Survey (2005), workers who have consistent and regular schedules (rather than unpredictable or variable hours driven by the operating demands of their workplace) report a greater sense of WLB in their lives – in other words they secure WLB through some control over their working-time via fixed instead of flexible arrangements (note to add – logic of domestic timetables and routines and biological clocks/sleep needs – can not just solve work-family coordination via access to 24/7 services and childcare)

- These type of arrangements are particularly pertinent for face-to-face service workers for whom flexibility to vary hours may be more limited

4.2 Possibilities for switching between part-time to full-time hours (reversibility)

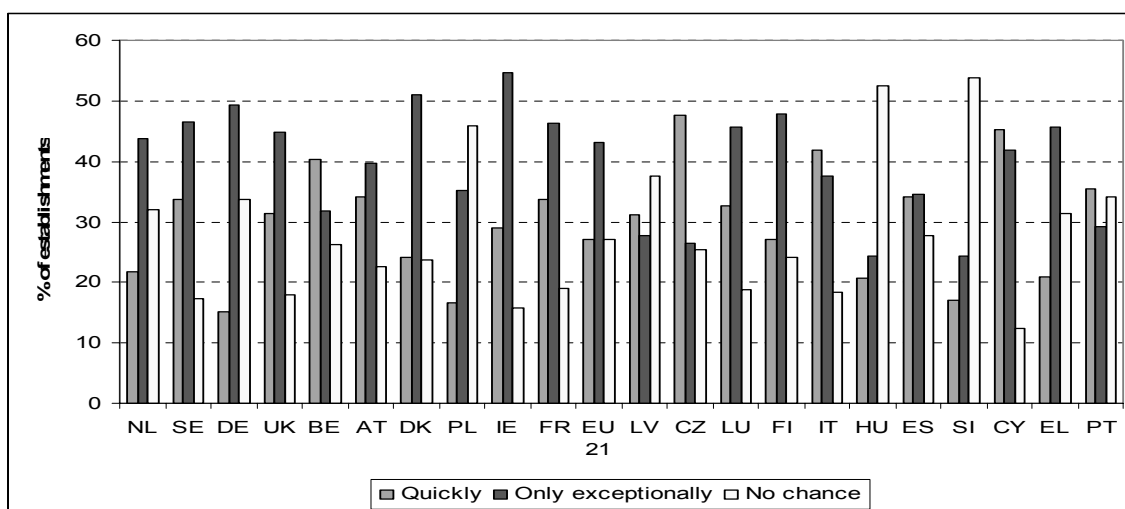
89. The possibility to switch to and from part-time work - reversibility - is an important right if employees are not to be trapped in jobs with hours that are either too short or too long. Reversibility permits employees to adjust working hours in response to lifecourse stages while remaining in the same or a similar position. In some countries, reversibility is a statutory right whereas in others it is not possible or even difficult for employees either to move from full-time to part-time or to move from part-time to full-time. Thus, reversibility is a major issue for the quality of part-time work, with regard to work-life balance. However, even within a single establishment, differences may be observed between skilled or unskilled workers in the nature of part-time work and in reversibility.

90. Full reversibility is offered in only 9% of establishments in the EU; 25% permit one-way moves (Riedmann 2006).

91. Figure 1 shows that among establishments using part-time work in a survey of firms in 21 European countries, 27% of the managers said that part-time employees could quickly get a full-time job, 43% that it would be possible only exceptionally and 27% that they would have practically no chance. When the question is asked to employee representatives, the figures were respectively 23%, 50% and 25% - employee representatives are less optimistic but also less pessimistic than managers. However, significant differences can be observed across countries. There is practically no chance for a part-time employee to move to a comparable full-time job in the same establishment in most of the Eastern European countries

(Hungary, Slovenia, Poland and Latvia) and also in Portugal, and to a lesser extent in Germany, the Netherlands and Greece. It is possible to infer from these results that part-time work in most of Eastern European countries is largely introduced for operational requirements with schedules mostly design to provide employer flexibility and few considerations for employees' wishes.

Figure 1: Possibility for a part-time employee to get a full-time job when he asks to, in % of establishments



Note: countries ranked by the proportion of establishments using part-time work.

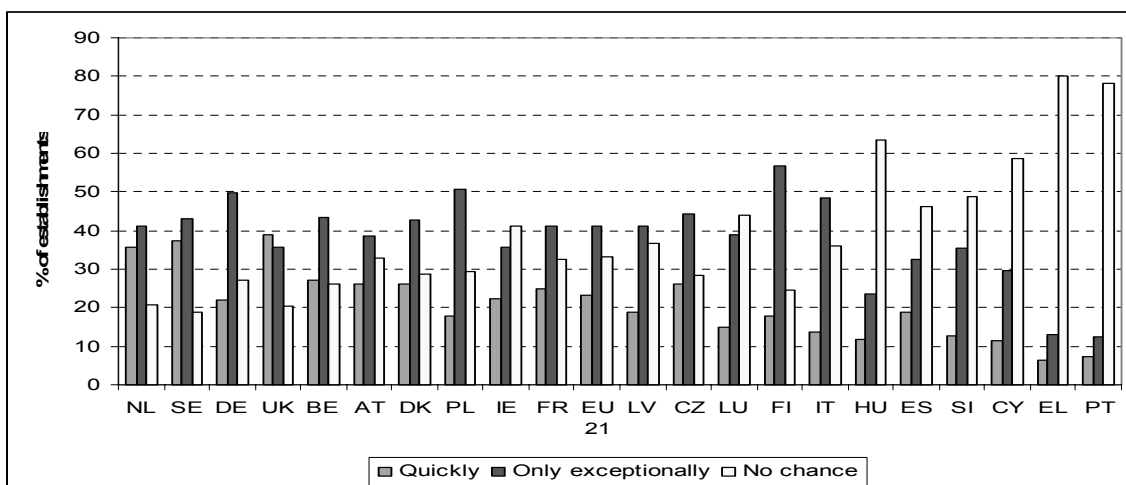
Base: Establishments with part-time work (management interviews)

Source: ESWT 2004-05., from Anxo et al. 2007c

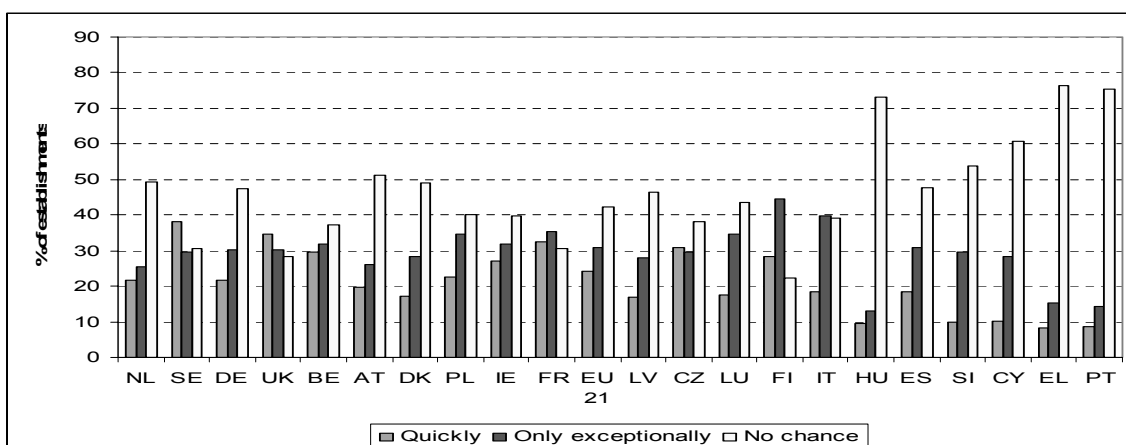
92. In the survey, managers were also asked about the possibilities for full-time employees to request and transfer to part-time work. As we found for the transition from part-time work around a quarter of managers (24%) answered that a part-time employee could get an appropriate full-time job quickly whatever their skill level. By contrast, more managers considered that it would be more difficult for low-skilled employees (42%) than for skilled employees (33%). Figure 2 shows country differences. The responses of the managers are significantly related to the usage of part-time work in establishments: in countries where part-time work is not widespread, there is a high proportion of managers stating that there would be no chance for employees (skilled or unskilled) wanting to move to part-time work. Among countries with higher usage of part-time work, Ireland is a specific case, due to a high proportion of managers (40%) stating that skilled employees working full-time have no chance to move part-time (figure 2.a). By contrast, in the Netherlands, Sweden and the UK, managers felt that it would be easier for skilled employees to move to part-time work than in other countries. For some countries, such as the Netherlands, Germany, Austria and Denmark, there was a wide difference in the views of managers about the move from full-time to part-time for relation to skilled and unskilled employees: 50% of managers considered that unskilled workers would have very few chances to move to a part-time job whereas the proportion is nearer 30% for skilled workers (see figure 2.b).

Figure 2: Possibility for a full-time employee to go part-time, in % of establishments

a) Skilled workers



b) Unskilled workers

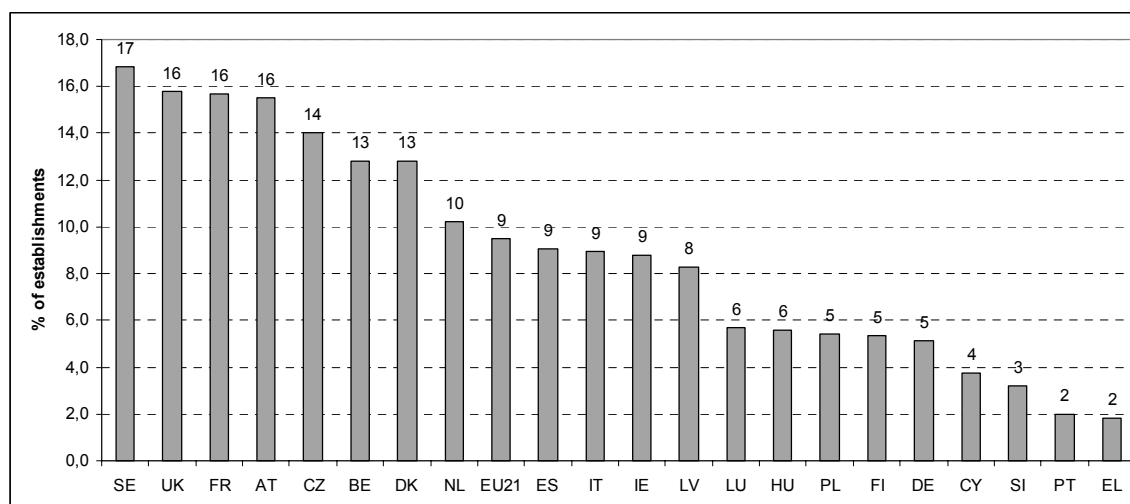


Note: countries ranked by the proportion of establishments using part-time work.

Base: All establishments (management interviews)

Source: ESWT 2004-05.

93. The share of European firms providing full reversibility - opportunity to move from part-time to full-time work and from full-time to part-time work - remains relatively limited. Only 9 % of the surveyed establishments provided a system of full reversibility of working-time arrangement (two-way). It is also important to remember that we do not have detail about the coverage or take-up of this working-time option within the company. Furthermore even where there is a statutory entitlement to reversibility the implementation is likely to be uneven; for example, line managers may be more willing to tolerate or even encourage such adjustments for employees in certain occupations or operational divisions than others, in a similarly way part-time work more is generally seen to be more applicable in some jobs and harder to implement in others – usually the more male-dominated and more senior managerial and professional grades (Fagan et al, 2006). Nevertheless with this proviso in mind, the share of firms providing complete time reversibility is significantly higher in the Scandinavian countries along with Austria, Belgium, the Czech Republic, France and the UK (see Figure 3).

Figure 3: Proportion of establishments offering full reversibility between part-time and full time

Base: All establishments (management interviews)

Source: ESWT 2004-05.

94. Multivariate analysis show that compared to Sweden, the probability that companies provide full reversibility is, *ceteris paribus*, of the same order of magnitude in Austria, Belgium, the Czech Republic, France and the UK. However, it is slightly lower in Denmark, Spain and Latvia and significantly lower in Finland, Germany, Greece, Portugal and Slovenia (see Anxo et al 2007c). The extent of full reversibility between part-time and full-time work varies also across industries. Reversible full/part-time options are, compared to manufacturing industries, more prevalent in sectors such as hotel and restaurants, finance and business services but less common in educational activities, retailing and construction. Also the likelihood of providing this type of reversibility options increases with firm size and is slightly higher among firms with a positive employment trends.

95. The chance to switch to and from part-time work may also reflect the overall attitude of the organisation to adjusting working times to meet employees' needs and we do in fact find that full reversibility is associated with certain other working practices. Firms providing flexible working-time account (*i.e. the possibility to accumulate time for a long period of leave*) are more prone to implement reversible full/part-time options. Similarly a positive attitude towards work life balance increases the probability that a firm provides such an option. However, this same probability is reduced when shift work is used. On the other hand the higher the incidence of part-time work the more likely it is that the firm provides reversibility options. The likelihood is also higher where the workforce is younger and more skilled. Not surprisingly, the probability also increases with the share of female employees.

96. Even in countries with a high level of part-time employment in the economy, such as the UK, the amount and type of part-time employment varies across sector and firm type, and eligibility can be restricted to limited occupational levels and job areas (Kersley et al 2006).

97. Within countries the UK provides an illustration of the differences. Here we find a divergence

- good quality part-time work available in some professional enclaves (but career penalties still incurred)
- poor quality PT jobs in other parts of the workplace/other sectors

- Recent pay data (TUC report, Rubery); career impact data (EOC)

98. Tilly (1992) ‘good’ and ‘bad’ part-time work (cf. O’Reilly and Fagan 1998) Professional part-time working

- Employee-led
- Implemented by organizations pursuing a retention strategy

99. What Penny Dick refers to as ‘strategic integration’ or an accommodation without full integration and reorganisation of work

100. The right to request in the Netherlands, Germany and the UK

- Different types of provision – only NL offers full reversibility; only UK permits requests for flexible as well as/instead of reduced hours; UK employers have more scope to reject a request
- Different institutional contexts of working-time regulations and other forms of flexibility – NL and DE context is one of more developed system of collective bargaining around working-time including development of working-time accounts in Germany
- Take-up rates highest in the NL; also high in the UK. Much lower in Germany; German case is probably to do with the poor economic climate

The UK’s ‘right to request’ reduced/flexible hours

101. Take-up of the new right to request in the UK has been high and few employers report implementation problems (CIPD reports, governments own WLB survey).

102. However, the available evidence suggests that the UK ‘right to request’ has been used mainly in areas where part-time work is already established and less so in managerial and professional occupations or by fathers i.e., implemented mostly where it already fits with pre-existing working-time culture (to some degree) (Fagan et al, 2006)

103. Requests for PTW mainly made by women; take-up is lower for fathers and mainly in form of flexible/rescheduled hours – but still a significant development

- Take-up rates lower at higher occupational levels
- Done little to redress the long hours culture and dual ‘time tracks’ so far
- Individualised and lacks collective underpinning
- Needs embedding in a wider reorganisation of WT and ‘negotiated flexibility’ of workplace agreements

Is the right to request disruptive for employers?

104. Not necessarily so according to the evaluation of the new right in the UK by the Chartered Institute of Personnel Directors; also an evaluation of the implementation of the UK compared to NL and DE (Fagan et al 2006)

- Depends on the circumstances it was introduced and the human resource expertise of the company

- Used by men as well – not just a “women’s issue”

105. Quality of the right to request in law/collective agreements is pivotal

- Conditions under which requests can be made and refused, procedures for appeal
- Collective underpinning (NL vs. UK)
- Trial periods appear fruitful for finding workable solutions
- Support for companies – particularly line managers – that have to devise and implement new working arrangements (training, good practice manuals, budget lines and financial incentives)
- Extend to all workers – CIPD found many UK companies did this because found it to be more workable and more equitable
- Social protection system modernised to support flexibility in negotiations – if it is penalised in the social protection system then this is a deterrent to the negotiated extension of part-time working
- Childcare and other infrastructure services

106. Risks of this policy route: - the erosion of the FT working-time norm may make it hard to adjust workload equitably to a part-time fraction (Rubery et al) i.e. the ‘effort bargain’ and expectations of the full-time day have changed in the more flexible expectations of contemporary economies.

5. The impact of parental leave and other care-related working-time adjustments on the career progression and earnings over the life course

107. The data available on parents’ labour market participation following taking up family leave are scarce, and this is even more the case of cross-country comparative information. In addition, there may be a significant time lag between the impact of existing leave arrangements and the ‘time stamp’ of the most recent available statistics.

108. Maternity leave promotes women’s integration and usually has a neutral or positive impact on women’s future labour market outcomes; while in contrast a growing body of research indicates that the impact of parental leave is more variable across countries in terms of the impact on women’s subsequent employment, post-leave earnings, the ‘density’ of their employment records, or gender segregation (Blau & Ehrenberg 1997).

109. At one extreme, are countries where the provision of public childcare is limited; and where parental leave arrangements are meant to be taken as a single block for a few years, and are neither well paid nor flexible. In this set-up the main positive gain from parental leave is that it secures a job guarantee or the right to return for women who would probably have interrupted their employment trajectory anyway, and provides them with some – often limited – additional income⁶. Thus it provides a mechanism which may facilitate women’s employment integration following a period of intensive child-raising provided she is able to secure appropriate childcare and working-time arrangements. However, since few countries provide incentives for fathers to take parental leave the likely outcome is to perpetuate an

6. This may be improved by the fact that in some countries the time thus spent caring for children might count against future pension or social security entitlements.

‘asymmetric dual earner/single carer’ type of family arrangements, as opposed to the dual earner/dual carer models promoted in a gender equality perspective (Ekberg 2004).

110. At the other extreme, the ‘Nordic’ model of parental leave arrangements coupled with high income replacement rates, flexibility in the way the leave may be taken, and complemented by public childcare provision are associated with high to very high female economic activity rates. In these countries, the trade-off of using parental leave is less to do with employment integration per se; rather it might be expressed in terms of the gender pay gap and the segregation of women in public sector occupations that are more likely to be compatible with high uptake of parental leave.

5.1 *Patterns of return and employment for mothers following parental leave*

111. Three aspects of women’s post-parental leave returns to the labour market are usually examined in the literature: whether mothers return at all to their job afterwards, whether this return is part-time or full-time, the duration of the leave and the timing of returns to work in case of full time leave. The latter aspect is usually related to the availability and affordability of formal – and informal – childcare.

112. According to a survey carried out among companies in the EU 25 in 2005 (Riedmann 2006; Anxo, Fagan et al 2006), there were marked differences in the employment patterns of mothers before and after they have taken a parental leave, as reported by their employer. Whereas overall in only 44 percent of the establishments surveyed, the majority of female employees were reported to return to exactly the same job, in 34 percent the report was that women had reduced their working time. In 10 percent of the establishments, the majority of women were said not to have returned to their jobs (Riedmann 2006). Denmark Slovenia, Finland and Hungary were countries where between 60 and 80 percent of the employers reported women returning to exactly the same job. By contrast, in the UK, Sweden⁷ and Germany the largest proportion of women were reported to have asked to reduce their working time after a leave.

113. Company size had an impact on the likelihood for women to return to a full-time job, with women in large companies simultaneously more likely to return to the same job and ask for a reduction of their working time. In terms of sector, establishments in education or public administration were more likely to report mothers returning to their job with the same working time. Similarly, companies with a larger proportion of employees working part-time were more likely to report that returning women had asked for reduced hours. Both findings are consistent with the view reported in some countries that this might contribute to explain horizontal segregation on the labour market. Finally, the same study found a positive association between the probability for companies to have employees on parental leave, and the use of short-term contracts by these companies which suggest that parents on leave might be replaced by temporary staff.

114. In Germany, Hungary, and the Czech Republic about 20 percent of establishments reported that the majority of women did not resume their jobs after parental leave. Other data show that return rates are high in the Czech Republic and the UK where 75 percent or more of mothers resume work after the birth of children (Plantenga & Remery 2005), often in combination to part-time work. Reasons may vary: in Hungary a study carried out in 2003, right of return even after maternity leave may be hampered by economic circumstances. 45 percent of previously employed mothers declared they were unable to return to their previous jobs or 32 percent that their companies were unwilling to reemploy them (Fodor 2004), against a background of a low female activity rate (12%). Similar circumstances have been reported in

7. However, in Sweden also the proportion of companies reporting women not returning to their previous position at all was also very small.

former East Germany during the nineties. Another factor often reported is the low availability of childcare places after the fall of Socialist regimes in Eastern European countries.

115. In Sweden, it is generally considered that the generosity of the parental leave has a positive impact on women's labour market participation. Recent research found that most women return to their previous employer after the parental leave. There is also some evidence that the generous earnings related leave acts as an incentive for women to work full-time *before* having children. However, parental leave is thought to impact on the working-time of Swedish women. A study carried out in 2005 by the Swedish Trade-Union Confederation found that a significant reduction in the proportion of women working full time on return from the leave: 47 percent, as opposed to 75 percent before whereas almost no change was discernible among men. The difference between these proportions was higher for women in professional occupations (EIRO 2006).

116. In France, although existing leave and benefit provision favour women's retreat from the labour market in the short term – especially among less qualified mothers – the fact that there is a relatively large supply of affordable public childcare available improves women's labour force participation when children grow older as well as for women in professional occupations. A survey carried out in 2003 showed that about 43.4 percent of children under three were cared for by their parents – i.e. mothers – 24.8 percent of the parents of these children claimed parental benefit, whereas close to 50 percent were in some form of public childcare (Plantenga & Remery 2005). Other research report that introduction of the *Allocation Parentale d'Education* APE had a significant negative impact on the activity rates of mothers of young children in lower occupations, allowing them to stay out of the labour market for 5 years (Meulders & Gustafsson 2003:117)

117. In Germany before the 2001 reform, there used to be a sharp drop in the employment rate of women after the birth of children that was usually attributed to parental leave. A study found that in most cases mothers of one or two children born in 1992 tended to take the leave on a full-time basis. Combination with part-time work was made difficult by the legislation then in force: among these mothers, only about 4 percent took a part-time leave. In addition, the majority took a leave for more than one year, and one third for three years (Maier 2004). This pattern may be related to the limited availability of public childcare for under, 3 especially in former Western Germany with a ratio of 2 percent of full-time places per children under three, against 37 percent in former East Germany. As for older children still under school age, availability improves, but not necessary in terms of full-time public places.

118. There is some indication that the situation might have changed to some extent, with more mothers of dependent children being in employment, linked to a sharp increase in the proportion of women working part-time, and also more women reporting 'family friendly' policies at their workplace. Recent figures showed that 60 percent of all parents were made of a father working full-time and a mother on full-time leave, against 32 percent of made of a full-time father and mother working part-time (European Foundation 2006).

119. There is some evidence that in the United Kingdom, since the right to request flexible working time was introduced in 2002, the proportion of mothers working flexitime has almost tripled from 17 to 47 percent in 2005 whereas the proportion of mothers changing employer upon returning to work was reported to have halved. However, the take up of parental leave itself remained low (Smeaton and Marsh, 2006).

5.2 *Longer term impact of leave and/or periods of part-time work on women's life course employment and earnings*

120. Very little evidence is available about the direct impact of parental or family leaves on subsequent labour market outcomes. However, there are indirect indications in countries where longitudinal data is available, that spells of economic inactivity or part-time work – which may or may not be combined with parental leave – act as traps where women remain confined for a substantial amount of time and/or there is a durable impact on their subsequent labour market outcome as measured by their earnings.

121. In countries with a relatively narrow wage dispersion between different occupational levels and seniority and between full-time and part-timers the penalty for taking leave or reducing to part-time hours is likely to be lower than in those countries with a wide earnings differential. For example, the UK has one of the largest average hourly pay gaps between those employed full-time and part-time, while there is no such discrepancy based on working-time status in the Netherlands. Similarly, the pay gap in the Nordic countries is much lower than that found in most other countries, even if it does exist with high rates of segregation. This partly reflects the narrow overall wage dispersion in these relatively egalitarian countries.

Parental leave and reintegration

122. German and Finnish evidence suggest reintegration problems among women in their former jobs following parental leave. In Germany, this has been seen as a result of company closure or job loss – a problem mostly present in former East Germany during the nineties – the loss of human capital, or the fact that some mothers were previously employed on a temporary basis. Rigidities in previous regulation (i.e. the fact that only part-time jobs up to 19 hours a weeks were allowed in conjunction with paid parental leave) were also pointed to as playing a part in women's labour market participation downgrading. Training provisions specifically targeting women returning after parental level have been recommended in order to alleviate this problem (Plantenga and Remery, 2005). In Finland, it has been estimated that on average, women remained 18 months outside the labour market after the birth of a child with only a quarter of mothers going back to work right after the parental leave. Just over half (53 percent) of women were still caring full time for children after two years. It is also believed that the *Home Care leave* is mostly taken by women in a less advantageous position on the labour market, hence acting as an alternative to unemployment, especially during the nineties, where employment plummeted in Finland: 42 percent of mothers benefiting from the HCA did not have any job to return to in 2003 (Ellingsaeter and Leira, 2006).

123. Several pieces of research find an association between the duration of the parental leave and the loss of earnings which may or may not be a consequence of a significant loss in human capital. Econometric research carried out in Germany between 1984 -1999 tended to confirm that the longer the parental leave, the bigger the loss in earnings, with a cumulative effect increasing over time, whereas return to the same employer attenuated the negative impact of the leave (Ziefle, 2004). Micro-simulation carried out recently, tended to conclude that recent reforms in the parental leave are likely to have a positive impact on the labour market participation of women – provided however that there is also an increase in the supply of childcare places (Spiess and Wrohlich, 2006).

124. A survey of women in professional occupations in Sweden found that a clear majority thought they had missed either a wage increase or a promotion, as a result of their being on leave (Nyberg 2004). Research carried out in Sweden and Denmark found that the consequences of parental leaves on women's earnings – not only mother's – were a flattening the wage profile during child bearings age possibly a result of 'statistical discrimination – the reluctance among employer to hire women as a result of their being more likely to take leaves, and hence their channelling in lesser paid, family friendly public sector jobs. As a result, in the Nordic countries, more than half of women work in the public sector, against less

than 25 percent of the men. The rather inflexible opening time of most public childcare service was seen as another factor contributing to the wage gap via horizontal segregation. (Datta Gupta, Smith et al 2006).

Periods of part-time work

125. Periods of part-time work play different roles in the life course of women and men. Not only are men less likely to engage in part-time working in the majority of countries; when they do so it is usually as a transitional status while they are students or as a prelude to retirement (whether voluntary or as a constrained exit route triggered by unemployment or ill-health) (O'Reilly and Fagan 1998). Women, by contrast, are more likely to have periods of part-time working during the core working years (25-45 years) associated with child raising; although marked national differences in whether mothers' employment takes the form of part-time working should be noted. For example, while part-time employment is widespread for mothers in many EU member states (especially the UK, the Netherlands, Germany; also Sweden, France...), full-time employment is the norm for mothers in Finland, Portugal and many of the Central-Eastern European countries.

126. Analysis of labour market transitions show that in most European countries women are more likely to enter, and remain in, part-time work than are men (O'Reilly et al). For example, recent British data suggest that between 1991 and 2002, 74.4 percent of women who were part-time were already working part-time a year before, against 45.2 of men. Only 9.9 percent of women working part-time were working full-time the year before, and 14.2 percent of women were working part-time one year before. In other words, part-time work appears to be a transitional situation for men, to a much bigger extent than women. Overall the duration of part-time spells is twice as long for women than for men (Francesconi & Gosling 2006).

127. Sustained spells of part-time employment may enhance women's employment integration but the risk might be little or no earnings progression or career advancement across the life course. The UK provides a vivid illustration of this risk. It has one of the largest gender pay gaps in the EU, and the gap is even wider for women if they are employed part-time (Manning and Petrongolo 2005). Longitudinal data shows that employment interruptions as well as periods of part-time work play a significant role in the construction of the gender pay gap in the UK. Among women the highest wage gap (57 percent) was between those who have worked full-time the first 15 years of their careers, and those who worked part-time during the same period. The same research also found that women's wages never really recovered from loss incurred during spells of part-time work. Between 1991 and 2002, women who had a part-time job for one year at the beginning of their career then worked continuously full-time had a 10 percent gap with those who never stopped working full-time. It was 22 percent for women who worked part-time for 4 years then moved to full-time. Part of the explanation for the large penalty for part-time working in Britain is the loss of in-work experience or human capital. Survey data showed that between 1991 and 2002, 30 percent of men and women received in-work training, but that they were 40 percent less likely than full-timers to receive such training if they were working part-time (Francesconi and Golding, 2005). However, the human capital argument has to be nuanced because other studies of women employed part-time show that occupational downgrading is widespread for women who switch to part-time work after they have children; particularly if they interrupt employment after maternity leave or switch employers to secure part-time hours. For example, one study conducted among women working part-time in the United Kingdom found that more than half of them had previously been working in jobs requiring either more qualification or responsibility than in their present jobs (Grant, Yeandle et al 2006). This seems to be consistent with reports from Sweden highlighted above and showing that segregation results from the enduring perception of an incompatibility between the requirements still experienced by large numbers of women – even in the presence of extensive parental leave provisions -- and jobs at the top of the occupational scale.

128. The introduction of the ‘right to request’ has made it easier for parents and other carers in the UK to adjust their working hours in their current job; and this can be expected to help reduce the risk of downward occupational mobility and the pay penalty of working part-time. However, this does not rule out the risk of slower career and earnings progression – a situation of trading water rather than advancing – and certainly the right to request appears to be used to a lesser degree among those in jobs where long full-time hours are the norm which is a common feature of many of the senior managerial and professional levels (Fagan et al 2006).

6. Conclusions

129. National institutional arrangements exhibit a ‘time policy’ orientation which shapes individual working-time options and the gender division of labour in households across the life course (Anxo et al. 2007a). In this paper we have focused upon care-related policies for extended leave or working-time adjustments.

130. Parental leave was first developed in Sweden in the 1970s, and parental leave now exists in all EU countries; although in some the development was quite recent and triggered by the 1996 Parental Leave Directive. The detail of the leave schemes in Europe vary in terms of the duration, flexibility, level of financial support for leave takers, whether the leave is a household or individual entitlement, and if household-based whether a portion is reserved for fathers’ use. Outside of Europe there are a few countries with statutory parental leave provisions; including an unpaid entitlement in Australia and the US, a low-paid arrangement in Japan and a somewhat more generously financed scheme in Canada (Gornick and Meyer 2003).

131. The evidence suggests that parental leave has a positive impact on the employment integration of women providing certain elements are built into the design: the duration of leave is up to about a year, there is flexibility for the leave to be taken in more than one block or on a part-time basis; there is a reasonable level of earnings-replacement and the leave is complemented by the provision of childcare services. Leave periods in some countries extend to two or three years and this can create reintegration problems; particularly when childcare services are limited or when the economy is in recession.

132. It is still mainly women who use parental leave, even in countries where fathers have an individual entitlement or a reserved portion of a household entitlement. This means that while parental leave can improve the employment integration of women over the life course it perpetuates the practice whereby it is still mainly women who adjust their working patterns for care responsibilities. Fathers’ take-up has improved in some countries, and the level of financing and flexibility are important pre-conditions for promoting this shift in men’s behaviour.

133. Options for periods of part-time work can also enhance work-family integration across the life course; but in many countries there is a labour market penalty or scarring from a period of part-time work in terms of reduced occupational advancement or even downward mobility and an associated loss of earnings progression, which also impacts negatively on pension accumulation. The development of individual’s ‘right to request’ reduced or flexible hours offers potential for some employees to secure an hours adjustment in their existing post and this may help to reduce the penalties for seeking part-time hours by opening up part-time opportunities in a wider range of positions. This is pertinent for the reconciliation needs of carers of adult dependents as well as parents with young children; and may become increasingly important in policy debates concerned with raising the employment rate of older workers and prolonging working life given that the likelihood of having elder care responsibilities increases sharply among the workforce aged fifty plus.

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Appendix A1: Statutory parental leave arrangements in selected countries

* Other OECD countries to be added for the final version, plus some selected other non-OECD countries

	Eligibility	Entitlements	Income replacement	Flexibility	Additional leave provisions
SE	<p><i>Föräldraförsäkring</i></p> <p>PL: <i>residents</i></p> <p>80 percent benefit: the claiming parent must have earned at least 60€ daily in the past 240 days – unless a child is born in the last 30 months.</p>	<p>Long</p> <p>Fathers: 60 days</p> <p>Mothers: 60 days</p> <p>Families: 360 days, each half reserved for each parent.</p> <p>A parent may take another parent's reserved days with her/his written consent.</p>	<p>High: 80 percent of previous yearly income, up to €31,935 (2005) for 390 days; flat rate benefit of 6.5€ for the remaining 90 days.</p> <p>Non eligible parents: 20€ daily for 390 days, then 6.5€ daily for 90 days</p> <p>Duration/replacement rate improved in some collective agreements.</p>	<p>High</p> <p>Paid PL can be taken part-time – up to an eighth-time – and combined with paid work;</p> <p>Up to three “blocks” of leave a year</p> <p>Before the child is 8</p>	<p><i>Temporary PL - tillfällig föräldrapenning:</i> up to 60 days per year/child under 12.</p> <p>Can be taken if the child is sick, or to replace the caregiver if he/she cannot leave her/his job.</p>
NO	<p><i>Leave Foreldrepermisjon: residence</i></p> <p>Child-raising allowance - fødselspenger:</p> <p>Joint: employed in the last 6/10 weeks prior to birth and have earned half the minimum basic income. $\frac{3}{4}$ of mothers were eligible in 2003</p> <p>Parental benefit --kontantstøtte – residence: Parents of children aged 12-36 months subject to limited use of public childcare facilities. No employment condition</p>	<p>Short</p> <p>54 weeks of which 9 are reserved for the maternity leave and 6 for the fathers' quota.</p> <p>Joint: up to 39 weeks</p>	<p>High</p> <p><i>Child-raising allowance:</i> 100 percent of previous earnings -- ceiling of 44,250€ for 29 weeks.</p> <p><i>Parental benefit:</i> monthly benefit of 460€ (2004). Specific benefits for single parents, unemployed, students, and self employed.</p>	<p>Moderate</p> <p>May be taken for 39 weeks paid at 80 percent of the previous income.</p> <p>The leave may be taken on a part-time basis -- 50-60-70-80- 90 percent -- in relation to a time account system.</p> <p>Before the child is 2</p>	<p>Each parent is entitled to one year unpaid PL.</p> <p>Sick children under 12: 10 days per year if one child, 15 if more, 2/30 if single parents</p>

	Eligibility	Entitlements	Income replacement	Flexibility	Additional leave provisions
DK	<p><i>PL - Forældreorlov: residents</i></p> <p>PL benefit: claimant must have worked 120 hours in the 13 weeks preceding the leave. Specific rules for unemployed, students, and self employed.</p> <p>Education allowance (in some communes): parents of children aged between 24 months and 6 years; resident in 7 out of the 8 last years; not cumulable with paid work or other benefits; max 3 times per household.</p>	<p>Short</p> <p>Leave: individual: 32 weeks.</p> <p>Up to 40 weeks -- 46 weeks if both parents are employed/self employed.</p>	<p>High: 90 percent of the previous income for 32 weeks – joint entitlement; weekly ceiling of 447€.</p> <p>A reduced benefit can be paid over 40/46 weeks instead of 32 if requested by parents.</p> <p>Education allowance: Low 8 weeks to one year; max 85 percent of the net public childcare costs in the commune.</p>	<p>Moderate</p> <p>Until the child is 4. 8-13 weeks of the leave may be taken in one block until the child is 9;</p> <p>Part-time PL is possible subject to agreement with the employer.</p> <p>Collective agreements may increase the number of weeks postponed/ supplement the PL benefit.</p>	<p>No statutory entitlement to sick days for relatives.</p> <p>Provided for in most collective agreements.</p>
SI	<p><i>dopust za nego in varstvo otroka</i></p> <p>Full benefits: mothers insured to the Parental Insurance – i.e. contributing to social security.</p> <p>Reduced benefits: mothers not insured but who have been insured in the last 12 months before the birth.</p>	<p>Long</p> <p>Fathers: in addition to the paternity leave, may take up to 75 unpaid days until the child is 8.</p> <p>Family: 260 days, half of which are an individual entitlement of each parent. Transfers are possible.</p> <p>Planned use of must be formalised in a written document signed by both parents.</p>	<p>High: Max 100 percent of average earnings, min 55 percent of the minimum wage.</p> <p>In case of unused leave, unpaid benefits can be paid in up to 5 instalments.</p> <p>Reduced benefit: to 52 percent of the minimum income, subject to her previous insurance records.</p>	<p>Moderate</p> <p>Half-time leave can be combined with part-time employment.</p> <p>Up to 75 days can be taken at any time, full-time or part-time, or on a ‘day by day’ basis until the child is 8.</p>	<p>Leave for sick family member of the household: up to 7 working days at a time – 15 if the child is less than 8.</p> <p>Paid 80 percent of the earnings in the last 12 months.</p>

	Eligibility	Entitlements	Income replacement	Flexibility	Additional leave provisions
HU	<p>Child Care Fee: <i>Gyermekgondozási díj – GYED:</i> parents who were employed at least 180/240 days prior to the birth of the child.</p> <p>Child Home Care Allowance <i>Gyermekgondozási sagely-- GYES:</i> all parents resident who were not previously employed. Grandparents if right transferred by parents.</p> <p>Child Raising Support <i>Gyermeknevelési támogatás – GYET:</i> all parents resident when the child is 3 to 8 provided the child is raised at home.</p>	<p>Long</p> <p>Joint: GYED: until the child is 2 GYES: until the child is 3</p>	<p>Average GYED: 70 percent of previous earnings, with a weekly ceiling of 346€ GYES, GYET: flat rate 102€ monthly Additional tax-credit system targeted at low income families.</p>	<p>Low GYES may not be combined with paid work until the child is 1. Thereafter may be combined with part-time work or home work. GYED may not be combined with paid work. GYET may be combined with part-time / home work.</p> <p><i>Until the child is 2/3:</i></p>	<p>Extended leave in order to care for sick children. The length depends on the age of the child: from 84 days when the child is 12-35 months to 14 days when the child is 12 years old. Paid 70 percent of previous earnings.</p>
FI	<p>Parental leave - Vanhempainvapaa Resident for at least 180 days; Earnings-related benefit: being employed before the birth of the child, and earning at least 6,513€ (2005)</p>	<p>Long (both leaves combined) Fathers: 12 bonus days if take 12 days of the family entitlement. Family: 158 working days – about 26 weeks per child</p>	<p>Average Parental allowance: between 43 to 82 percent of the previous earnings – on the average 66 percent. Non eligible parents are paid 15.20€ (2005) per working day.</p>	<p>Moderate Can be taken:</p> <ul style="list-style-type: none"> • in 2 blocks of at least 12 days, by each parent; • part-time, with up to 40-60 percent of a full-time job, but only if the two parents take the part-time leave, with the employer's agreement. 	<p>Leave for sick child under 10: between two and four days a week, without limit on the number of times it can be taken. Usually paid 100 percent of the income. Regulated by collective agreement.</p>
	<p>Home Care leave- Hoitovapaa– Resident for at least 180 days;</p>	<p>From the end of PL until the child is 3</p>	<p>Flat rate monthly benefit of 294€ (2005), with supplement for additional children in certain local authorities, or in case of low income, the latter being means tested. Average payment in 2004 was 337€ a month.</p>	<p>Moderate May be taken in two parts which have to be at least one month long. Partial childcare leave from the end of PL until the child is in second year at school, subject to negotiation with the employer. Entitlement to a 70€ daily allowance.</p>	<p>Leave for sick child 2-4 days at a time generally at full pay by collective agreement.</p>

	Eligibility	Entitlements	Income replacement	Flexibility	Additional leave provisions
DE	<p>Parental leave: <i>Elternzeit</i>: all parents employed at the time of birth;</p> <p>Means-tested benefit - <i>Elterngeld</i>: families where parents do not work more than 30 hours a week, and with income below 30,000€ -- 23,000€ in case of lone parents.</p>	<p>Long Families: until the child is 3.</p> <p>Duration can be extended by collective agreements</p>	<p>Low</p> <p>Monthly 300€ means-tested childrearing benefit –for 24 months</p> <p>Five <i>Landern</i> among which Bavaria and Baden-Wuertenberg pay an additional means-tested childrearing benefit</p>	<p>Moderate</p> <p>Subject to employers' agreement:</p> <p>the final year can be taken until the child is 8</p> <p>may be combined with part-time work – under 15 or between 15 and 3 hours a week -- in companies with more than 15 employees</p> <p>May be taken in 2 blocks</p>	<p>Leave for dependent can be taken up to 10 days a year per child, max 25 days a year per family. Paid 80 percent of the previous earnings</p>
FR	<p>Congé parental</p> <p>Leave: The parent taking the leave must have been employed for at least one year.</p> <p>Benefit:</p> <p>APE: all families with at least one child under 3 born before 2004 and whose income is under a – relatively high – threshold. No employment condition.</p> <p>CLCA: all families.</p>	<p>Long Family: 3 years</p>	<p>Childrearing benefit -<i>Allocation Parentale d'Education – APE</i> --</p> <p>Monthly flat rate -513€ in 2005 per family.</p> <p>Paid until the child is 3, or six months after the end of maternity leave in case of an only child.</p> <p>Child care benefit - <i>Complément de libre choix d'activité (CLCA)</i>. 513€, reduced for families with one child– 750€ for families with 3 children and more. One parent has to stop working in order for the family to qualify.</p>	<p>Low</p> <p>Parents taking PL may work between 16 and 32 hours a week.</p> <p>APE may be combined with part-time work, but payment is reduced.</p> <p>CLCA: one parent has to stop working</p>	<p><i>All employees are entitled at least 3 days of unpaid care leave for sick children. This number of days is increased by some collective agreements.</i></p>

	Eligibility	Entitlements	Income replacement	Flexibility	Additional leave provisions
BE	All employees with at least one year of employment in the last 15 months.	Short <i>Ouderschapsverlof/Congé parental</i> may be taken until the child is 6 Father 3 months per child Mother: 3 months per child	Low Monthly flat rate benefit 671€ in case of full-time leave. Additional 160€ top-up for parents living in the Flemish Region	Moderate May be taken either: <ul style="list-style-type: none"> • Full time; Half-time over 6 months or in blocks of at least two months; 1 day a week over 15 months or in blocks of at least five months; Sequence 1 month FT + 2 months half time + 5 months 1/5 time 	Time credit system – - Tijdskrediet/Crédit temps: employees with at least 5 years of employment with the same employer are entitled up to one year paid leave at a flat rate of 547€ (2005). Duration / benefit may be increased according to seniority, whether or not married. 10 day of leave allowed for ‘urgent reasons’ – i.e. serious illness of a relative.
CZ	Parental leave: <i>Rodicovska dovolena</i> : residents Benefit (<i>Rodičovský příspěvek</i>): family including grandparents when in charge of day care of children under 4. Children under 3 cannot attend public childcare for more than 5 days a month – 4 hours a day when the child is 3.	Long Leave: individual, until the child is 3	Low Joint: Monthly flat rate 121€ (2005) until the child is 4.	Low Parental benefit may be combined with full-time or part-time work	Time off for sick relative: 9 days at a time. No limits over the number of times. Paid 69 percent of gross daily wage, with a 20€ ceiling.
UK	One year continuous employment with the same employer	Short 13 weeks full time Extended by collective bargaining in 11 percent of the workplaces	Unpaid. Paid parental leave is available in 3 percent of the workplaces as a result of collective agreements.	Low/moderate No more than 4 weeks of leave a year May be taken in block of minimum one week. Distinct right to request flexible or reduced working hours.	Unpaid contingency leave for dependents in some cases.

				Until the child is 5.	
JA	All workers under open ended contract who have been employed more than a year, and whose partner is employed more than 2 days per week.	Short 10 months	Low 30 percent of previous earnings for 10 months. Flat rate benefit of 10 percent of previous income for six months when the worker resume her/his job.		
AU	All parents who have been employed for at least one year (part-time and casual employees qualify)	Long Families: 52 weeks in block of one week from 10 weeks before birth until the child is 5.	Unpaid Parental leave is not paid, but most single parents receive the Family Tax Benefit: 6 percent of previous average earnings. Paid parental leave available in some large companies /industries with a larger proportion of highly qualified women: 15 to 23 percent of private sector workplaces with more than 20 employees	Parents have a right to request part-time work until the child reaches school age when resuming work after parental leave;	10 days per year may be taken as leave for sick relative, provided all personal leave have not been taken.
US	No statutory leave. In some cases: Unpaid parental leave: Family and Medical Leave Act – FMLA for parents who have worked at least one year /1250 hours for an eligible employer: approx 58 percent of the employees in the private sector. Paid provision in a few states – such as California or companies: Temporary Disability Insurance – TDI	FMLA: 12 weeks within one year TDI: 10-12 weeks, 4 weeks before and 6 weeks after birth	Unpaid/low FMLA: Unpaid TDI: approx 217 € flat-rate in 2003 TDI in California: 55-60 percent of previous earnings after childbirth	FMLA: may be split in several blocks.	No statutory leave.

Sources: Fagan & Hebson 2006; extended with Moss & Deven 2006, European Foundation 2006; European Commission 2006

Appendix A2: The Establishment Survey on Working Time and Work-Life Balance (ESWT)

134. The European Foundation for the Improvement of Living and Working Conditions in 2004 launched a large-scale sample survey in establishments in 21 European countries: the 15 ‘old’ Member States of the European Union (EU15) and six of the new Member States (the Czech Republic, Cyprus, Hungary, Latvia, Poland and Slovenia). In more than 21,000 establishments personnel managers and – where available – formal employee representatives (e.g. shop stewards, works councils) were interviewed about working time arrangements and work-life balance issues in their companies. The interviews were carried out by telephone in the autumn of 2004 (EU15) and the spring of 2005 (six new Member States). The fieldwork was coordinated by TNS Sozialforschung, Germany (for further detail see Riedmann et al, 2006, p.55-66).

135. Data from the *European Establishment Survey on Working Time and Work-Life Balance (ESWT)* are representative for all establishments with 10 or more employees in the above-mentioned countries. The survey covers private and public establishments from practically all sectors of activity⁸. The sample design provided for a control of the representative distribution of interviews across the two main sectors ‘Industries’ (NACE C – F) and ‘Services’ (NACE G – O). In a finer breakdown due to deficiencies in the available sampling sources weaknesses with regard to the representation of the sub-sectors ‘Education’ (NACE M) and ‘Health and social work’ (NACE N) show up in some countries (for details, see Riedmann et al, 2006, p. 57).

8. The only sectors excluded are ‘Agriculture’, ‘Forestry’, ‘Private households’ and ‘Extraterritorial organisations’. In these sectors the number of establishments with 10 or more employees is negligible in the countries surveyed.