

# Nordic family policy and gender equality

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# Family policy and gender equality

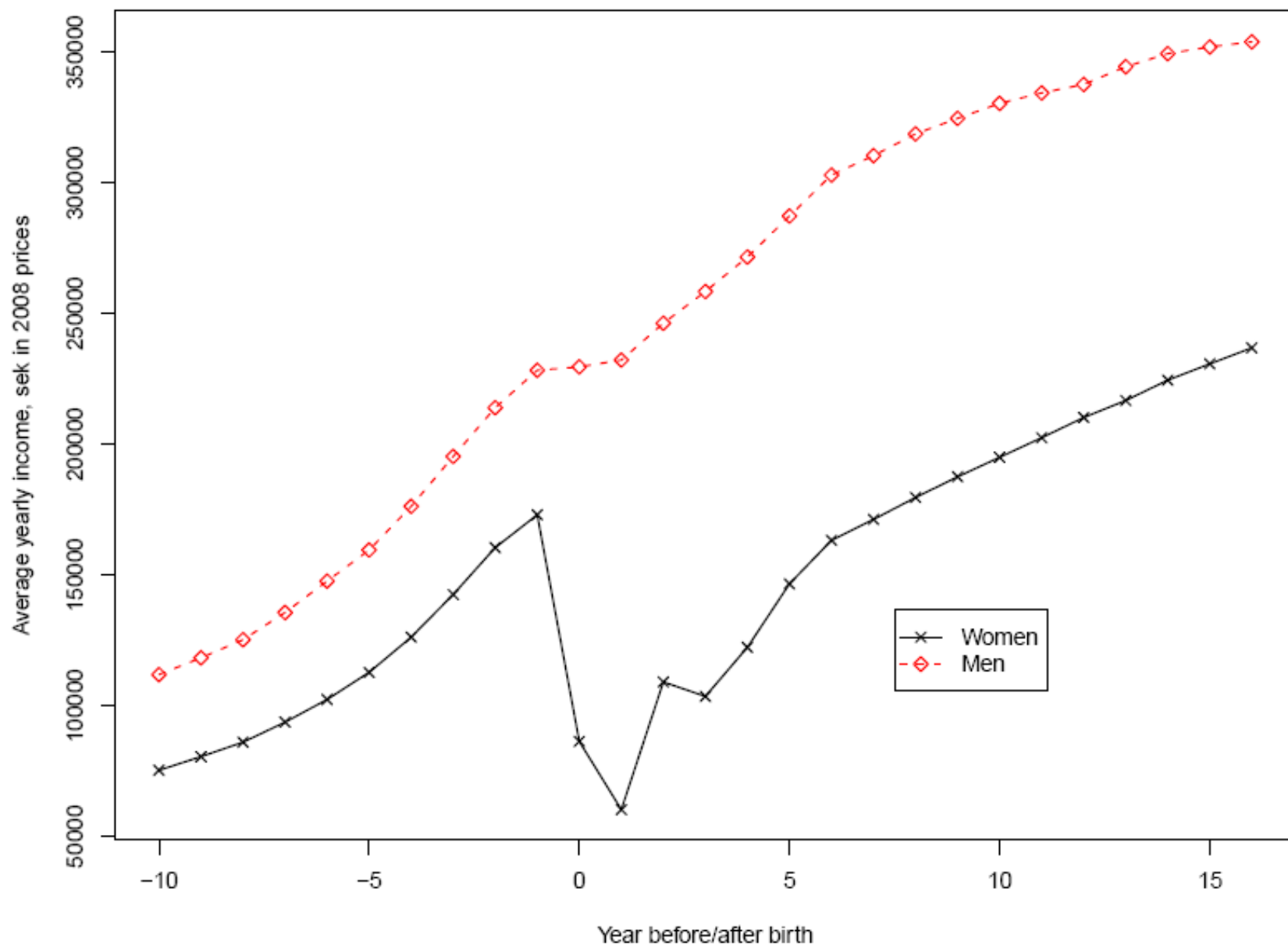
- «The Nordic model»
  - Generous family policies
  - High degree of gender equality
- Q1: Family policies => gender equality?
- Q2:
  - What are the remaining gender gaps?
  - How might we close them?



# Traditional gender roles



# The family gap



**Figure 3:** Average yearly income for women and men within matched couples before and after receiving their first child.

# The family gap

- Family policies can affect the family gap
  - Increasing specialization could increase family gap
  - Decreasing specialization could decrease family gap
- Increasing gender equality an important goal of Nordic family policies (Björnberg, 2013)
- Key policies:
  - Parental leave and cash-for-care
  - Subsidized child care



# **FAMILY POLICIES AND THEIR EFFECT ON GENDER EQUALITY**

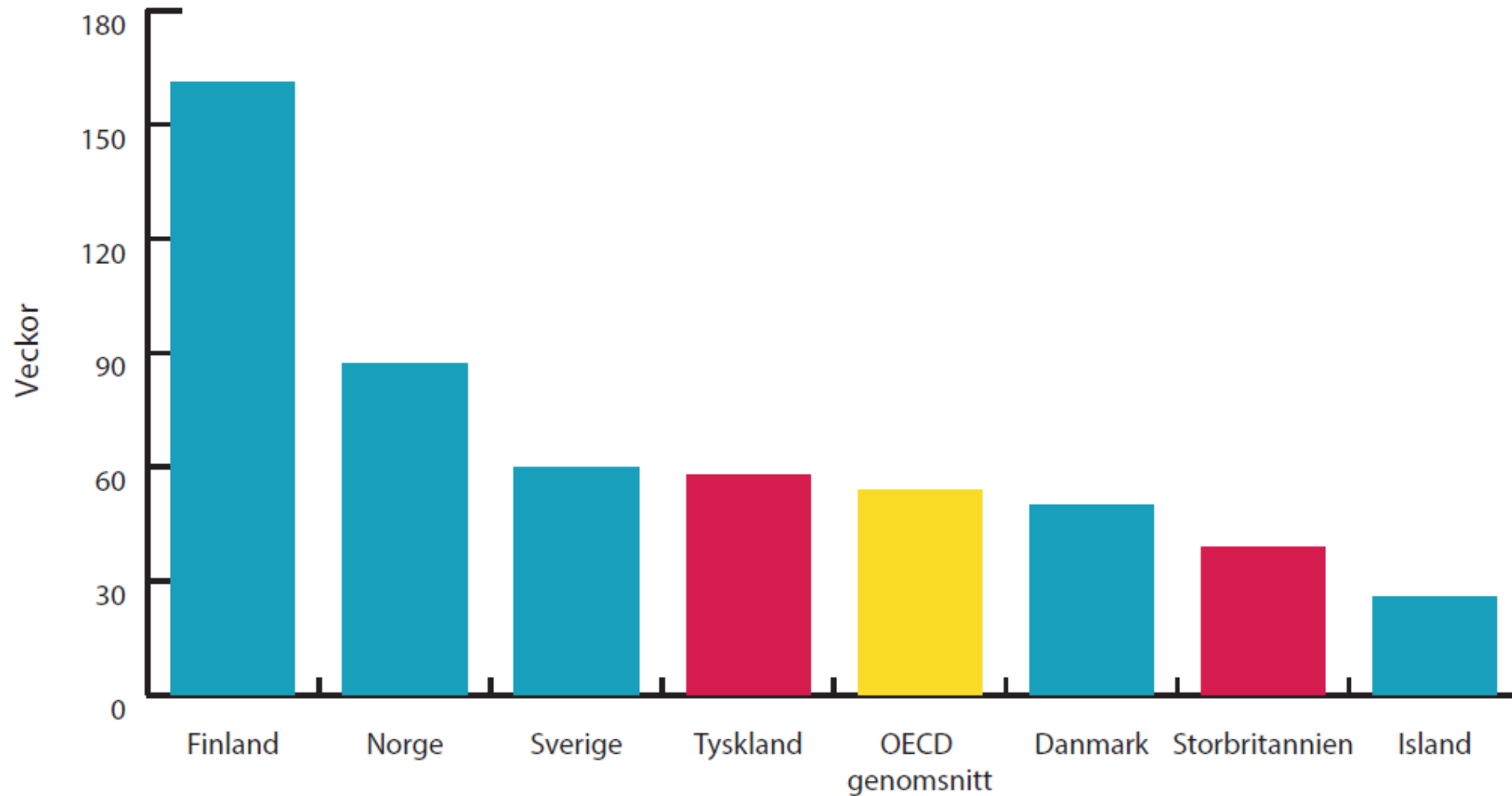


# PARENTAL LEAVE AND CASH-FOR-CARE



# Weeks of paid leave available to mothers

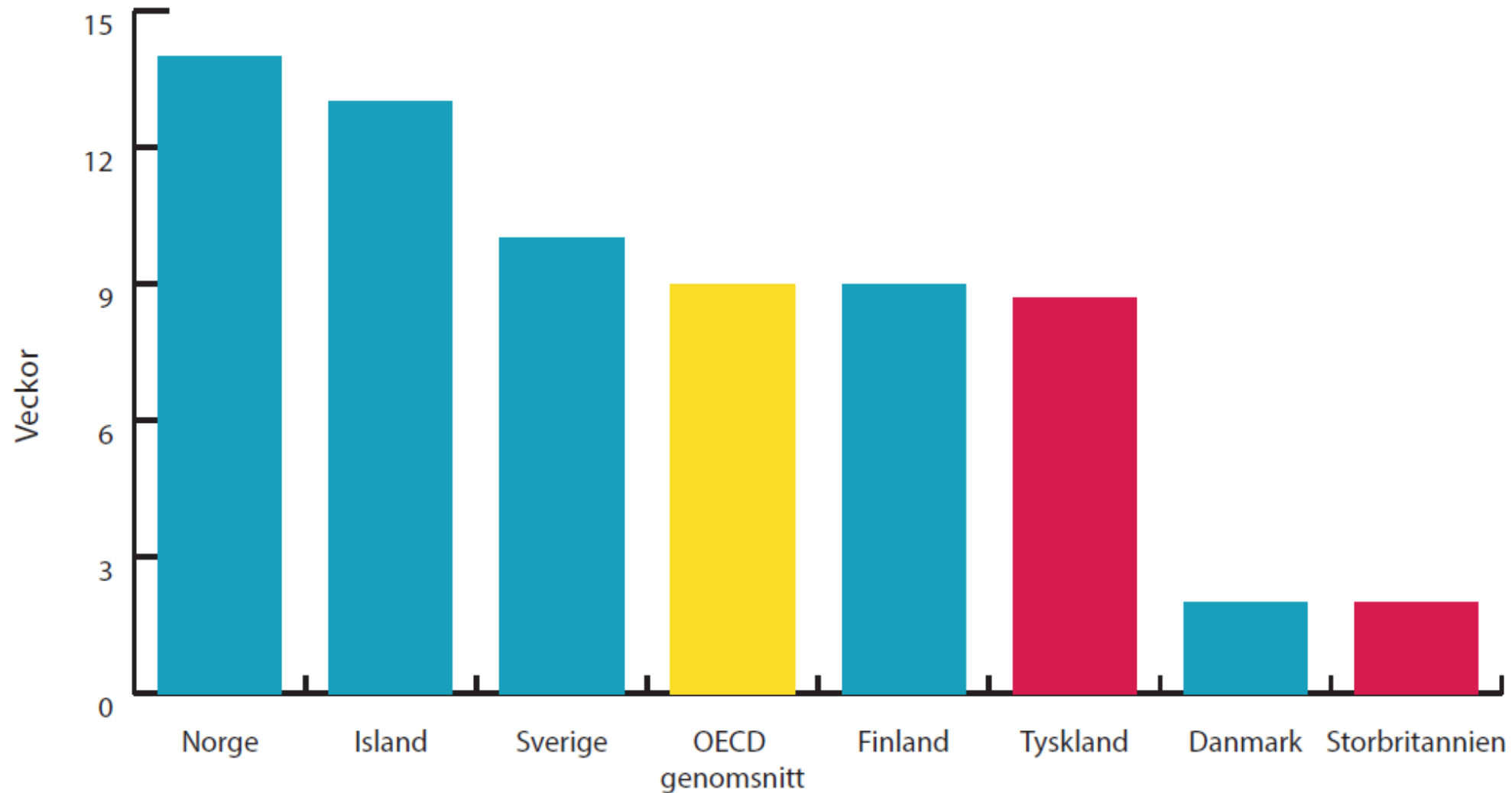
Figur 2. Det totale antallet uker mammor kan vara på betald ledighet etter barnafödelse, 2014. Källa: OECD Family database.





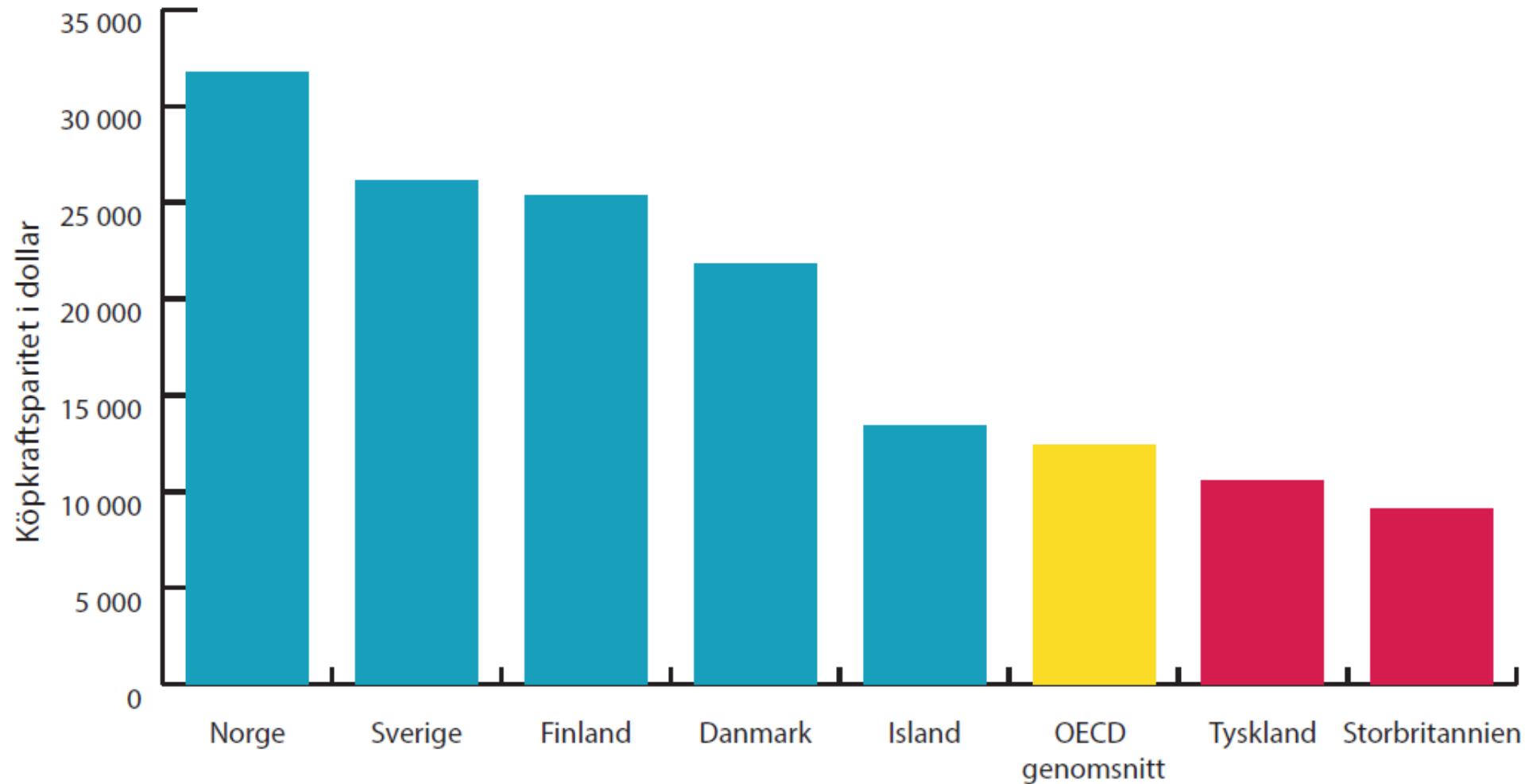
# Paternity leave quotas

Figur 4. Antal betalda veckor som reserveras exklusivt för pappor, 2014. Källa: OECD Family database.



# Public expenditure on parental leave per child born

Figur 3. Offentlige utgifter på forældreledighet per født barn, i aktuell kjøkraftsparitet i dollar, 2011. Källa: OECD Family database.



# Parental leave and cash-for-care

## Hypotheses:

- Job protection secures job continuity for women after childbirth
- Longer periods of leave implies longer career interruptions.
  - Could reduce long-run labor market attachment
  - Gives employers disincentives to hire women of fertile age
- Paternity leave quotas: Reduces disincentives to hire women of fertile age



# Parental leave and cash-for-care

## Findings:

- Job protection increases gender equality (e.g. Waldfogel, 1998)
- Longer maternity leave has little impact on long-run maternal employment (e.g. Dahl et al., 2015)
- Paternity leave quotas does not affect intra-household specialization (e.g. Ekberg, 2013)
- Cash-for-care benefits decrease long-run maternal employment (e.g. Drange and Rege, 2013)



# SUBSIDIZED CHILD CARE



# Pre-school enrollment rates of children aged 3-5

Andelen inskrivna i formell barnomsorg i varje nordiskt land, indelat i åldersgrupper

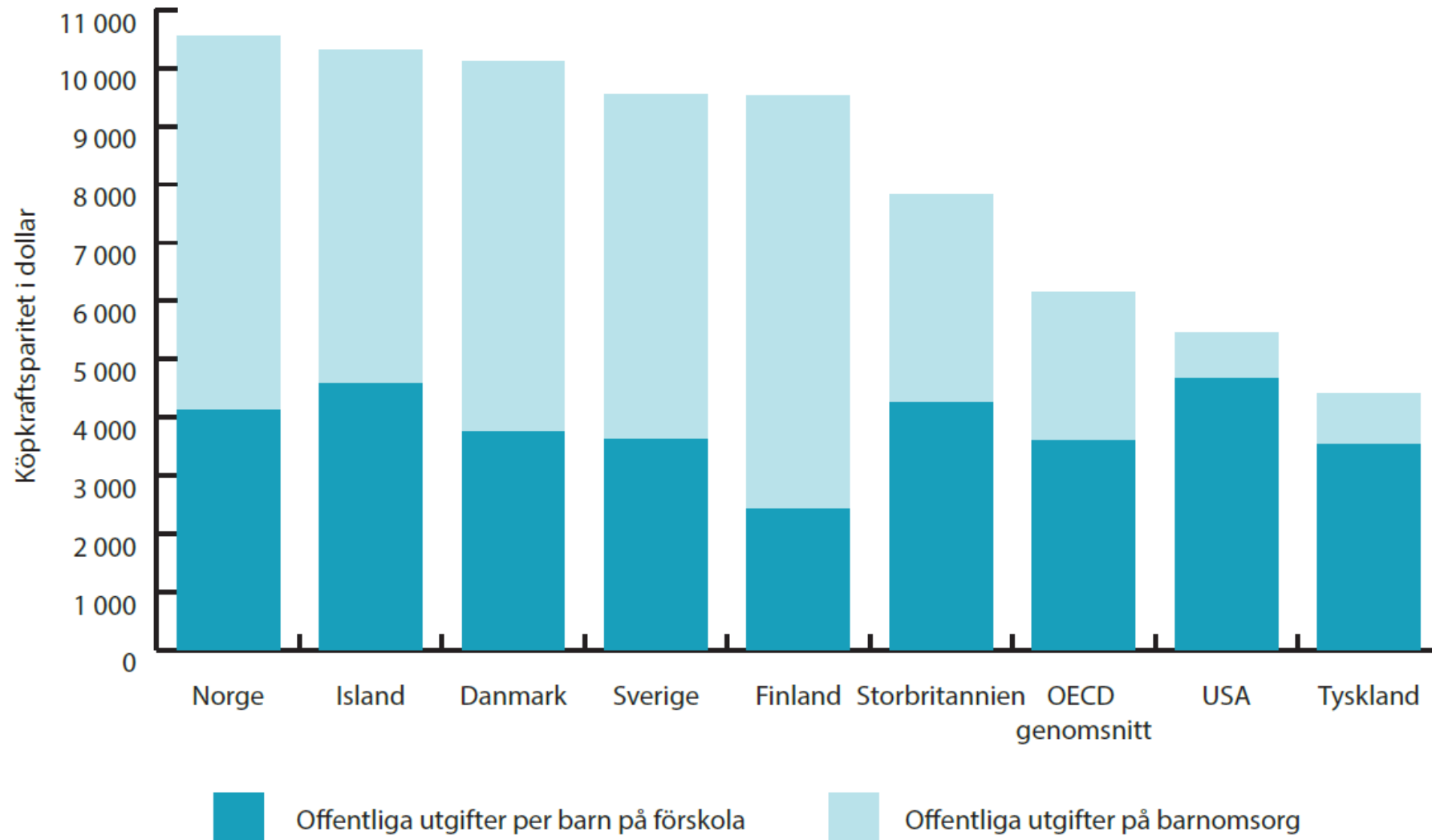
Ålder	Danmark	Finland	Island	Norge	Sverige
< 1	19	1	6	3	0
1-2	91	41	84	80	71
3-5	97	74	96	97	97

Källa: Data från 2013. Danmark: Ministry of Employment; Finland: Kela; Island: Directorate of Labour; Norge: Nav (Work in Norway); Sverige, Försäkringskassan.



# Public expenditure per child on child care

Figur 5. Offentliga utgifter per barn på barnomsorg och förskola, i köpkraftsparitet i dollar, 2011. Källor: OECD Social Expenditure database och OECD Education database.



# Subsidized child care

## Hypotheses:

- Child care frees up work capacity among mothers of pre-school aged children
- Could affect long term maternal labor supply by increasing labor market attachment and reducing disincentives to hire women of fertile age





# Subsidized child care

## Findings:

- No effect of expanding provision of formal child care (Havnes and Mogstad, 2011)
- Positive effect of expanding provision of child care to mothers of 1-2 year olds (Andresen and Havnes, 2014)
- Price not very important?
  - Norway and Sweden: reduced prices had no effects
  - Denmark: increased prices reduced maternal labor supply



## Summary: The effect of family policies on gender equality

- No direct effect of parental leave
- Little impact of paternity leave quotas
- Cash-for-care benefits reduced gender equality
- Subsidized child care increased gender equality



# Summary: The effect of family policies

- Long run effects:
  - Family policies could increase or decrease gender equality in the long run by changing the incentives to hiring women or changing the norms and culture in society
  - These potential long run effects cannot easily be proven or disproven
  - Very long parental leaves likely harmful (Albrecht et al. 2015)



# REMAINING GENDER GAPS IN THE LABOR MARKET



# Nordic countries

- High female labour force participation rates BUT
  - High shares work part time
  - Few women in top positions. World Economic Forum ranks Nordic countries
    - Sweden: 31
    - Iceland: 32
    - Norway: 43
    - Finland: 55
    - Denmark: 81



# Gender gap at the top of the career ladder

- Are the family policies creating a glass ceiling?
  - (Datta Gupta et al., 2008)
- Family policies might be...
  - ... incentivizing women to enter the labor market
  - ... stopping women from climbing the career ladder



# Inflexibility of systems

- Glass ceiling related to the inflexibility of systems
  - Formal child care only during working hours
  - Nordic women work more part-time, less long hours, and fewer evenings (Plantenga and Remery, 2010)
  - Nordic women have long career interruptions due to long parental leaves (Albrecth et al. 2015)
- Flexible child care seems to bost full-time employment of women with young children (Johnsen, 2015)



# A Nordic family policy for the future

Based on the causal research findings

1. Cash-for-care benefits should be dropped
2. Access to subsidized child care immediately after parental leave expires

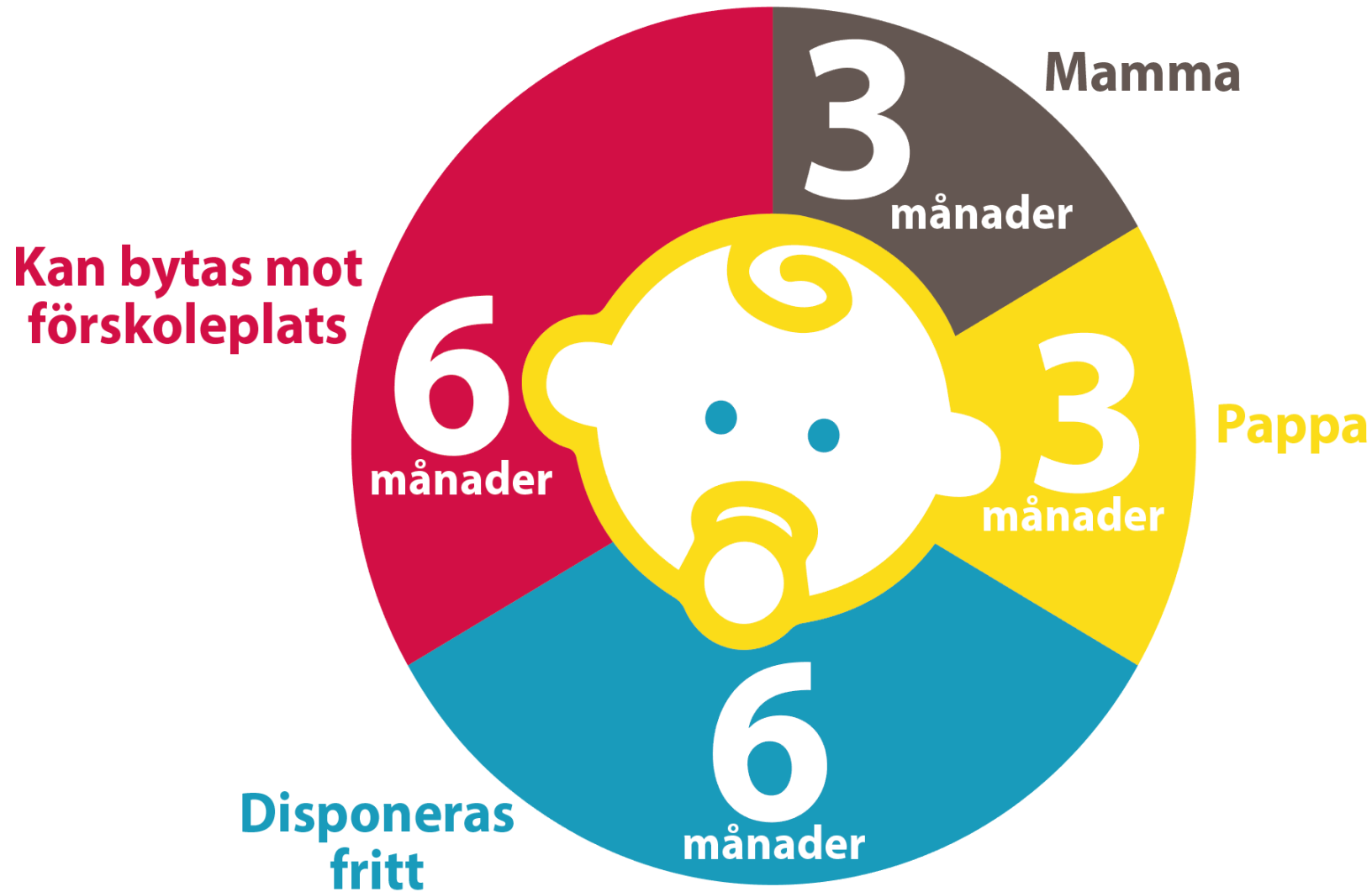
Suggestions to decrease gender gaps at the top

3. Make it possible to trade parts of parental leave for earlier access to subsidized child care
4. Subsidize access to child care at irregular hours
5. Subsidize other forms of domestic services





# Reformförslag för svensk föräldraledighet



# Thank you!



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