1. Introduction

Public childcare and parental leave policies are found at the intersection of several different policy areas such as labour market, gender equality, education, family and social policies. Public childcare and parental leave policies have at different points in time been regarded as political tools to further employment, gender equality and equality between different socio-economic, ethnic, and other groups in society. The point of departure in this article is public childcare and parental leave as part of gender equality policies and the dual-earner/dual-carer model. This does not mean, of course, that the labour market and the family will be excluded, since these are the two areas that the dual-earner/dual-carer model is all about. However, it does mean that other labour market, other family, other educational and other social policies will not be discussed. Neither will this article deal with open pre-schools, a “drop-in” option for children cared for by their parents at home, or leisure-time centres for school-age children. After-school care might also be considered an important part of gender equality policies, it is also an area of care in Sweden, which is less well-known in other countries, and the changes that have taken place since 1990, for better and for worse, have been greater than in pre-school care. In spite of this, childcare for school children is not discussed here since the attention it deserves exceeds the limits of this article. The aim of this article is to discuss the relationship between public childcare for pre-school children, parental leave and the dual-earner/dual-carer model in Sweden, especially from 1990 until today.

2. The dual-earner/dual-carer model

The foundations of a policy supporting a dual-earner/dual-carer model were laid in Sweden in the 1960s and the 1970s. This policy was influenced by a new notion of women and men as equals as far as employment and responsibility for children were concerned. In this new model, public childcare and parental leave were seen as cornerstones. The main criterion for the success of such policies has usually been the integration of women into the labour force. However, in Sweden, the move towards a more gender-equal society, involved not only women but also men. The argument when parental leave was introduced in Sweden in 1974 is typical of this:

“.. the division of labour between men and women locks men as well as women into different roles and obstructs free personal development. Demands for gender equality does not only

---

1 By ‘public childcare’ is here meant publicly regulated and financed childcare for preschool children. Most of the childcare is also organised by the public sector, namely the municipalities, but not always. Childcare includes childcare centres, nowadays called preschools, and family day care.

2 The organisation, the number of children, the fees, the quality etc has changed more in after school care than in preschool care.
concern changes in women’s circumstances but also in men’s. For women the changes concern, among other things, increased employment opportunities and for men the opportunity to take greater responsibility for children. The government must, through actions in different areas of social life, change the position of men as well as women” (author’s translation, *Regeringens proposition 1973:47* p. 43).

Gender equality was conceptualised as based on sameness, with new norms for both women and men. The objective of this brand of gender equality is not only a stronger position for women on the labour market, but also that men should take greater responsibility for childcare, not only a dual-earner, but also a dual-carer model.

It should be pointed out that Sweden experienced a very deep economic crisis in the 1990s. Economic growth was negative for three years in a row, unemployment rose dramatically, budget deficits grew enormously, in the early 1990s. In addition to the macroeconomic situation, political and ideological developments constituted a challenge to the dual-earner/dual-carer model, there was a neo-liberal trend, where market liberalism was applauded, while taxes and the public sector were criticised. The 1990s is therefore a good period for testing the strength of the dual-earner/dual-carer model and the robustness of the gender equality policies (Nyberg, 2003).

3. Public childcare

One important principle of the Swedish welfare model is that all adults should have the economic means to support themselves. Public childcare is seen as the social infrastructure that facilitates this. However, an adequate supply of public childcare is not enough; it should also be accessible, high quality and affordable. If not, public childcare risks being a marginal phenomenon, a last resort for mothers who do not have a choice. The questions asked in this part of the article are: Has the legislation and the supply of public childcare supported women’s employment and the dual-earner/dual-carer model? We will begin with a brief look at changes in the legislation from the 1960s until today, and then discuss the development of supply, accessibility, quality and price in public childcare between 1990 and 2003. Finally, we will examine the development of public childcare and mother’s employment in a longer perspective.

3.1 Legislation

In a comparative perspective, the Swedish welfare state is often described as universal, but in practice many social benefits are related to labour market participation. The right to childcare has been restricted to children whose parents were employed (or studying) or to children with special needs. That is, labour market participation or need have formed the basis for eligibility for public childcare.

Childcare attracted considerable attention in the 1960s. The demand for full-time childcare was reviewed, bills were introduced in parliament, politicians and authorities were courted. In 1966, public grants to full-time childcare centres doubled to encourage expansion and improve the quality of care. The grants did stimulate expansion, and the number of places for full-time care grew faster than the number of places for part-time care, which meant that

---

3 This part of the paper has its roots in two articles by Bergqvist & Nyberg (2001 and 2002). No further references to these articles will be made here. Therefore, in this part references are only made when new information has been added.
policies shifted from support of part-time care and ‘at-home-mothers’ to full-time care and working mothers. While childcare centres were the most common form of childcare, family day care was also of considerable importance.\(^4\)

The expansion that took place in the 1970s was governed by state grants to the municipalities earmarked for childcare. The aim then was to guarantee a uniform public childcare system that offered the same conditions throughout the country. During the 1980s a new philosophy was introduced: “decentralisation” became the word of the day and decision-making was transferred from the state to the municipalities. In 1993, therefore, programme-specific state grants for childcare were replaced by block grants.

In 1985 the Swedish parliament decided that all children aged between 18 months and school age with working or studying parents or children with special needs were to be entitled to a place in public childcare by 1991. But the municipalities were only obliged to include the expansion of childcare in their plans, which meant that in reality the growth in the number of places was too slow in relation to demand. Therefore, in January 1995, new legislation came into force specifying the municipalities' obligations to provide pre-school activities and childcare without unreasonable delay, meaning within three to four months of a parent applying for childcare. A place must be offered as close to the child's home as possible and with reasonable consideration being given to the parents' wishes (Skolverket, 2003a p.13).\(^5\)

Another change in the 1990s came when the non-Socialist parties opened up for subsidies to profit-making childcare. Although the Social Democrats had been opposed to this, they did not change this decision when they returned to power in 1994. Privately organised (but publicly regulated and financed) childcare has become ever more common. The proportion of children in privately organised pre-schools increased from 5 per cent in 1990 to 15 per cent in 2000 and 17 per cent in 2002. However, most of the so-called private pre-schools are run by non-profit organisations. This is partly a legacy from the 1980s, when parents set up parent co-operatives (which already at that time could receive subsidies) as a response to the lack of places in public childcare. Parent co-operatives are still the most common form of private pre-schools (40 per cent), but there are also pre-schools run by companies (30 per cent), employee co-operatives and other organisations (Skolverket, 2004a p. 19 and Table 5).

---

\(^4\) In the 1970s and 1980s family day care was very important. During the 1990s the number of children enrolled in family day care declined rapidly and the number of children in day care centres/preschools increased.

\(^5\) Skolverket is the National Agency for Education.
A step towards universalism in childcare was taken in July 2001 when the municipalities also were obliged to offer children of unemployed parents pre-school care for at least 15 hours per week. This obligation was extended to include children of parents on parental leave with another child, starting January 1, 2002. In addition, pre-school activities for 4- and 5-year-olds were introduced on January 1, 2003, consisting of 15 hours of childcare per week free of charge.

3.2 The supply of public childcare

Today almost all children aged one to twelve, have the right to public childcare. This, however, does not necessarily mean that the supply is large enough to meet the demand. Legislation has to be accompanied by resources to make expansion possible. In fact, the supply of childcare has hardly ever matched the demand, so not all employed or studying parents, who were entitled to public childcare, had access to the childcare they needed. Waiting lists were long and parents have had to make their own childcare arrangements in the informal sector.

More rigorous legislation coupled with a mini baby boom around 1990 resulted in a substantial increase in the demand for public childcare. In spite of the economic crisis, the number of places for children in public childcare increased dramatically. Diagram 1 shows the development in the proportion of children in public childcare in different age groups. As can be seen, the proportion of 2-, 3-, 4- and 5-year-olds increased from 55–65 per cent in 1990 to 87–96 per cent in 2003. Hardly any children below the age of one are in public childcare since they are at home with a parent on parental leave. This is also true for a large proportion of the 1-year-olds since parental leave is longer than 12 months, and can be spread out over a longer period of time.

Diagram 1: Proportion of children in different age groups, %, in public childcare (childcare centres/pre-school and family day care), 1990–2003

A very large proportion of 6-year-olds (not seen in the diagram) were in public childcare in 1990. However, during the 1990s, activities for 6-year olds were integrated into school activities. The pre-school class has become a kind of school of its own and virtually all 6-
year-olds today are in pre-school classes and after-school care. Since 1991 children have been able to start regular school at the age of six, but few children do so.

Towards the end of the 1990s, the demand for public childcare for children of working or studying parents was more or less met, but there was still a demand for public childcare. The supply of childcare generated its own demand. As has already been mentioned, at the beginning of the 2000s, the right to childcare was extended to cover children of unemployed parents and parents on parental leave and to all 4- and 5-year-olds for at least 15 hours a week. Of children aged between one and five with a parent on parental leave 26 per cent were in pre-school in 1999, and by 2002 this figure had almost doubled to 47 per cent. A relatively large share of the children of unemployed parents went to pre-school even before the change in legislation in 2001. The municipalities’ rules were considerably more generous for these children than for children of parents on parental leave. But unemployed parents have also used the new right to a place for their children in pre-school. In 1999, 58 per cent of all children between one and five years of age of unemployed parents went to pre-school; three years later the proportion was 76 per cent (Skolverket, 2003e Table 2:2).

The educational level, ethnicity, civil status and place of residence of the parents were influential factors in the child’s childcare. The higher the educational level, the more common it was for the child to be in public childcare. Children of parents born outside Sweden and children of cohabiting parents were less likely to be in childcare than children of Swedish parents and single parents. These differences have now almost disappeared and almost all children are in public childcare. Only about 2 per cent of children are more permanently at home with an ‘at-home-parent’, but some differences still exist. Children of parents with a university education spend about three hours more per week in childcare than children whose parents only have a nine-year compulsory school education and they are also more often in childcare run by parental co-operatives. While long-established differences between groups diminished, new ones appeared in the 1990s, especially the growing differences between municipalities as far as supply, childcare fees, etc were concerned. For example, big cities, suburban municipalities, and larger towns had the highest proportion of children in childcare, while rural municipalities had the lowest (Skolverket, 2004a p. 21).

In a study conducted in the late 1990s, parents of children both in and not in public childcare were asked if they were satisfied with the childcare situation. The majority was satisfied and those who were most satisfied were parents with children in public childcare (90 per cent). Of the parents who were not satisfied (10 per cent), about half (5 per cent) wanted to change from family day care to a childcare centre or the other way around, while the other half (5 per cent) wanted to be able to keep the child at home. Least satisfied were the parents (74 per cent) whose child did not have a place in public childcare. In this category, most wanted a pre-school place.

3.3 Accessibility, quality and childcare fees in public childcare

6 In 1998, 95 per cent of the municipalities could offer a place to preschool children in childcare without unreasonable delay, ie within 3–4 months. In 2001 this was true for 97 per cent of the municipalities, but in 2002 and 2003 this share had fallen to 94 per cent. However, almost all municipalities could offer a place in childcare for preschool children if the parents were working or studying. This was not the case for school children (Skolverket Press release 8 October 2003).
Given the economic circumstances and the labour market situation in the 1990s, cost cuts and retrenchments in public childcare could have been expected despite the legislation. However, as shown above, the proportion of children in pre-school grew during the 1990s despite the baby boom around 1990. This leads us to ask what happened to accessibility, quality and childcare fees in childcare.

To facilitate parents’ working life, childcare should offer a continuous service covering the whole working day and continuing beyond usual working hours in order to give parents time to get to the childcare centre before and after work. Shorter opening hours could force parents to work shorter hours or find informal solutions to complement formal childcare. I have only been able to find data on opening hours for three years: 1996–1998 (Skolverket, 1999 Table 1.6). The report shows that a very large proportion of pre-schools (around 90 per cent) are open 10–12 hours per day. However, it also shows that this share decreased between 1996 and 1998 and that privately run pre-schools had shorter opening hours than those run by the municipalities. In 2003, 52 per cent of the municipalities could also offer night-open childcare centres to the children of parents who work nights (Skolverket, 2003c p.1). A large proportion of other municipalities maintain that there is no demand for childcare at night. In 2002, children aged between one and five with employed or studying parents spent on average 32 hours per week in childcare (Skolverket, 2004a Table 7).

Diagram 2: Index, 1991=100, cost per full-time child in childcare, number of children per staff member and group size, pre-school, 1991–2003

Source: Cost per child and number of children per staff – Skolverket 2003d Figure 1 and Figure 3, Skolverket 2003a Table 10; Group size – Skolverket 1998 p.15, Skolverket 2003e Table 4.1

---

7 Certain changes that have taken place in childcare make it difficult to compare data from different years and there are also changes and breaks in the data. Caution should therefore be observed when making comparisons.
Measuring the quality of childcare is no easy task and there is no general agreement as to how this should be done. However, one possible way is by measuring the resources spent on childcare on a per child full-time basis. As shown in Diagram 2, the cost per child decreased in the early 1990s, but then rose again during the latter part of the decade, and by 2002 was higher than the 1991 level.

Changes in the cost per child are reflected in the child/staff ratio. When the cost decreases, the number of children per staff member increases. However, while the cost per child now has reached (and exceeds) the 1991 level, this is not the case with the child/staff ratio. If the child/staff ratio is used as an indicator of quality in childcare, then quality has deteriorated. In 1991 there were 4.2 children per staff member and in 2002 this had increased to 5.3. Group size is another indicator of resources and quality. As seen in Diagram 2, group size also increased: the average group size was about 15 children in 1991 and 17.4 in 2002.

Another dimension of quality is the educational level of public childcare staff: a higher level of education is usually taken to mean higher quality, but also implies higher costs. Up until 1990 child-minders made up the largest group of employees in public childcare, but today university-trained pre-school teachers form the biggest category, although in recent years the average educational level has decreased somewhat. One reason for this is that it is hard to find pre-school-teachers.

One way for municipalities to handle the financial situation was to try to keep costs down by increasing the number of children per staff member and group; another was to increase revenues by raising childcare fees. In the 1990s more and more municipalities looked into their fee systems and levels, and the design of the childcare fees was changed in order to shift some of the costs from municipalities to parents. There was a distinct tendency to use fees as a mean of moderating demand. Almost all municipalities introduced some form of time-related fee; in extreme cases it corresponded to the exact number of hours the child was in childcare. More and more municipalities also tied the size of the fee to the parents' income: 75 per cent of municipalities at the beginning of the 1990s and 90 per cent towards the end of the decade. In 1990 parents paid 10 per cent of the total gross costs of childcare. By 2000 this proportion had increased to 19 per cent, ie parents were paying a larger share of the costs. However, in 2002 a maximum childcare fee was introduced by the central government. This meant that a ceiling was set on the fees payable by parents for childcare. One important reason for this was to level out the considerable differences in childcare fees between different municipalities; another was to lower the level of the fees and, thirdly, to eliminate the marginal effects of childcare fees on parents' (mothers') income. After the introduction of the maximum fee, almost all families pay lower fees and 9 per cent of the total cost for public childcare (Skolverket, 2003a p. 27).

For the municipalities, the introduction of the maximum fee was voluntary. The municipalities that adopted the new system received compensation from the state for loss of income and to ensure childcare quality. In the first year, the maximum fee was implemented by all but two of the 289 municipalities. Today all municipalities apply the maximum fee.

---

8 The maximum fee means that no one should pay more than 3% of their income before taxes as a fee for one child. For a second child the fee should not exceed 2% and for a third child 1%. There is, however, also a ceiling. At the time, nobody, irrespective of income, should pay more than SEK 1140 (approx. 125 euros) per month for the first child, SEK 760 (approx. 80 euros) for the second child and SEK 380 (approx. 40 euros) for the third (Press release, 17 November 2000). Today the fees are somewhat higher.
3.4 The supply of public childcare and mothers’ employment

Public childcare is considered one of the most important issues for mothers’ employment and gender equality policies. While the supply is important, accessibility, quality and price will also influence parents’ inclination to place their children in public childcare.

Accessibility in terms of opening hours has been and still is quite good. In the 1990s, about 90 per cent of the pre-schools were open 10–12 hours per day. There might have been a tendency towards shorter opening hours since then as a way to save money. Today, decisions about the use of resources are more often taken at the pre-school level, which might put pressure on parents not to take their children there very early in the morning or to pick them up very late in the afternoon. However, this does not appear have been the subject of any studies to date and therefore we do not know if this is the case. It is also important that the child is offered a public childcare place when parental leave comes to an end otherwise the mother have to stay home longer or arrange childcare in the informal sector.

Public childcare fees in general have not been prohibitively high; they have usually been lower for parents with low incomes and decrease with the number of children per family in childcare. Nevertheless, the 1990s saw fees increase and differences between municipalities grow. Today there is a maximum fee, which means that fees have been lowered for almost all parents.

Quality in childcare, measured in terms of cost per child, number of children per staff member, group size and the educational level of the staff together, was probably at its highest in the 1980s. Even though cost per child today and the educational level of the staff are higher than at the beginning of the 1990s, the number of children per staff member and group size have also increased. The potential deterioration in quality has not stopped parents from placing their children in public childcare. However, while problems were previously of a quantitative nature, today they are qualitative. Since demand greatly exceeded supply, the big problem for a long time was getting a place in childcare to begin with.

It is often assumed that, in Sweden, mothers’ employment was the result of an intensive gender equality policy and the expansion of public childcare. However, as we can see in Table 1 below, it would be more correct to describe the order of development the other way around: mothers entered the labour market first and this created a demand for public childcare. Swedish mothers entered the labour market long before there was enough public childcare. In 1965, 3 per cent of all pre-school children, or about 25,000 children, were in public childcare: about half in childcare centres and the other half in family daycare. At the same time, 36 per cent of all mothers of pre-school children, or almost 200,000 mothers, were employed. However, on the one hand, these data underestimate the demand for childcare since many mothers have more than one child, and there are mothers who study and children with special needs. On the other hand, the data overestimate the degree to which mothers are ‘at work’, since mothers on parental leave

---

9 This order of things is not unique to Sweden. This has also been the case in Norway and Finland for example, but also in liberal welfare states such as the US and the UK.
are regarded as being employed. From 1981 the data enable us to deduct the number of mothers absent from work to care for their children from the number of employed mothers. A large majority of these mothers were on parental leave and took care not only of the newborn baby but also of its siblings, if there were any. Employed mothers absent from work constitutes a larger share of employed mothers today than in the 1960s, since parental leave now is much longer than maternity leave was at that time.

Table 1: Pre-school children (0–6 years) in public childcare, employed mothers of pre-school children, and mothers of pre-school children ‘at work’, per cent of all in the category, Sweden

<table>
<thead>
<tr>
<th>Year</th>
<th>Children in public childcare, %</th>
<th>Employed mothers, %</th>
<th>Employed mothers excl. those absent for care of child, %**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1965</td>
<td>3.0</td>
<td>36.0</td>
<td></td>
</tr>
<tr>
<td>1970</td>
<td>8.7</td>
<td>48.6</td>
<td></td>
</tr>
<tr>
<td>1975</td>
<td>15.1</td>
<td>59.1</td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>31.3</td>
<td>73.8</td>
<td>66.0*</td>
</tr>
<tr>
<td>1985</td>
<td>44.6</td>
<td>81.2</td>
<td>69.2</td>
</tr>
<tr>
<td>1990</td>
<td>49.0</td>
<td>85.1</td>
<td>63.8</td>
</tr>
<tr>
<td>1991</td>
<td>49.8</td>
<td>82.5</td>
<td>62.1</td>
</tr>
<tr>
<td>1992</td>
<td>50.6</td>
<td>79.6</td>
<td>60.3</td>
</tr>
<tr>
<td>1993</td>
<td>49.9</td>
<td>74.8</td>
<td>58.6</td>
</tr>
<tr>
<td>1994</td>
<td>54.8</td>
<td>72.5</td>
<td>58.2</td>
</tr>
<tr>
<td>1995</td>
<td>58.7</td>
<td>72.7</td>
<td>59.5</td>
</tr>
<tr>
<td>1996</td>
<td>61.2</td>
<td>71.7</td>
<td>59.9</td>
</tr>
<tr>
<td>1997</td>
<td>62.6</td>
<td>71.1</td>
<td>60.1</td>
</tr>
<tr>
<td>1998</td>
<td>62.7</td>
<td>72.1</td>
<td>60.8</td>
</tr>
<tr>
<td>1999</td>
<td>64.0</td>
<td>74.1</td>
<td>62.7</td>
</tr>
<tr>
<td>2000</td>
<td>64.7</td>
<td>76.1</td>
<td>63.1</td>
</tr>
<tr>
<td>2001</td>
<td>65.2</td>
<td>77.6</td>
<td>63.7</td>
</tr>
<tr>
<td>2002</td>
<td>68.8</td>
<td>77.6</td>
<td>62.9</td>
</tr>
</tbody>
</table>

* 1981 ** excl. women absent from work because of care of child including those on parental leave.

Source: calculated from data from Labour Force Surveys from Statistics Sweden and data from Skolverket.

The number and share of children in public childcare and of employed mothers grew steadily between 1965 and 1990. In 1990 almost 50 per cent of the children were in public childcare and 85 per cent of mothers of pre-school children were employed, although many were absent from work to take care of their child or children. The concurrent expansion of mothers’ employment and public childcare is in line with other findings. For example, big cities, suburban municipalities and larger towns in Sweden with a high proportion of women in employment had the highest proportion of children in childcare, while rural municipalities, with lower employment levels, had the smallest. The same is true on a country level: countries with a high rate of mothers in employment have a larger proportion of children in public childcare than countries with a lower level of employed mothers (European Commission, 2003).

---

To compare data for such a long period of time is problematic since the length of the parental leave has changed and organisational changes in preschool have taken place. However, since employment data is only published for mothers with children 0-6 years, the data about children in public childcare has been adjusted to that.
However, the relationship between mothers’ employment and the proportion of children in public childcare is not simple and direct, as development in Sweden in the 1990s illustrates. The number and proportion of children in public childcare increased steadily, in spite of the fact that the number and proportion of employed mothers decreased. This continued expansion can be explained by the fact that political commitment to childcare has other objectives than furthering women’s employment and gender equality, and that the emphasis on the importance of different objectives has changed over time. In early industrial society, public childcare was intended for the children of single, poor, working-class mothers: in post-industrial society it is a necessity for middle-class dual-earner families (Nyberg 2000). But besides women’s employment and gender equality, another important objective of public childcare has been equality in children’s conditions, and increasingly so during the 1990s. This mirrors an increased focus on support for children’s development, education of children and life-long learning, which points towards a general pre-school and pre-school as the first step in the education system. In Sweden several changes have been made in this direction. A growing number of categories of children, independent of parents’ employment status, have been included: children of unemployed parents and parents on parental leave, voluntary pre-school for all 4- and 5-year-olds. The terminology has changed from nursery/day care to pre-school. In 1996 the responsibility for public childcare was transferred from the Ministry of Social Affairs and Health to the Ministry of Education and Science and a special curriculum has been developed for children 1–5 years of age. The introduction of the maximum fee is another example. Public childcare for all children is no longer seen mainly as a question of women’s employment but as a necessary investment in human capital in a post-industrial, knowledge-intensive economy. Public childcare is regarded as the first step on the ladder of life-long learning and as an important part of ‘normal’ childhood. As such, it is important that all children are given the opportunity to use these services since they further equality, not only between the sexes, but also between children of different classes, ethnicities, etc.

The fact that pre-school has become more education-oriented is not without problems. According to a recent survey some municipalities and pre-schools have started to formulate what children should accomplish and which goals they should reach at a certain age. The child’s individual ‘results’ are beginning to be measured as they are at school and the pressure on young children has increased (Skolverket, 2004b).
4. **Parental insurance – leave and allowance**

Parental insurance (consisting of leave and an allowance legislated separately) is seen as a measure to further gender equality by encouraging more continuous labour force attachment among women and promoting fathers’ participation in childcare, *ie* parental leave supports the dual-earner/dual-carer model. However, as implied by the title of a monograph on the subject (*Parental leave: Progress or Pitfall?* Moss & Deven eds. 1999) parental leave may not be altogether unproblematic. If leave schemes offer long periods of leave, which are taken almost entirely by women, the effect may be reinforced gendered divisions of labour both in employment and in the family. Cash benefits for care may even be intended to support women’s traditional role or keeping female unemployment down; these tendencies might be especially strong in times of economic crisis. Further, if the situation in the labour market is unstable and insecure, fathers might be less willing than usual to take parental leave. This section begins with an examination of amendments to parental insurance in Sweden at the legislative policy level and then goes on to look at the changes in mothers’ and fathers’ use of parental leave. This is followed by a discussion on the possible effects on women’s labour force participation, gender segregation and the gender wage gap.

4.1 **Parental leave**

In 1974, maternity leave was replaced with parental leave, which meant that the principal entitlement to leave following the birth of a child was no longer reserved for the mother, but could also be used by the father. What was remarkable was that parental leave at that time was completely gender neutral, *ie* no part of the parental leave was reserved for the mother, as is the case in other countries and in Sweden today. It could be argued that maternity leave has been reintroduced both through the ‘mother’s quota’ and in order to fulfil EU regulations. Since the year 2000, two weeks of maternity leave, one before and one after the birth, have been made obligatory (Jansson et al. 2003 p. 31-32). In 1974, parental leave was 180 days per child. It was soon extended and by 1990 parental leave had reached 450 days. Today it is 480 days. Thus, as we can see in Diagram 3, it has grown from 6 months to 16 months.
Diagram 3: Number of days of father's quota, mother's quota and parental leave, Sweden, 1955–2003*

* paternity leave is not included.

To encourage fathers to exercise their right to parental leave, a ‘father’s quota’ was introduced in 1995. Thirty days of parental leave could no longer be transferred to the other parent, which meant that the father (or the mother) would lose these days if they were not used. In 2002, parental leave was extended by a further 30 days that cannot be transferred. This means that if parents want to use all 480 days, each parent must use at least 60. However, there is nothing to stop a parent from not using his (or her) days (Jansson et al., 2003).

Besides the right to parental leave, the father is also entitled to 10 days of paternity leave and allowance when the child is born. These days are supposed to be used either to take care of the mother and the newborn baby or to take care of older children in the family. Since 2001, these 10 days have not been exclusively reserved for the father; they can be used by another person if the mother is a sole parent or if the father is not covered by parental insurance and therefore not entitled to parental allowance.

The Swedish parental leave system is very flexible. Today it is possible to choose between a full day’s leave, three-quarters, half, one-quarter or one-eighth (ie one hour) of a day’s leave. Parents are entitled to full-time leave from work until the child is 18 months old or as long as she/he is paid parental allowance. Parental allowance may be drawn at any time until the child is eight years old or has finished the first year of school. Additionally, parents who are employed full time are entitled to unpaid partial leave of absence equivalent to at most three-quarters of their full time hours until the child is 8 years old or has finished the first year of school.12

4.2 Parental allowance

12 There is also ‘temporary’ parental leave, which amounts to 120 days per child per year, until the child reaches the age of 12. Parents who use this leave receive income replacement benefit in accordance with parental leave. Parents can use this leave for several purposes but most use it to stay home to care for sick children. This kind of leave will not be discussed further here.
Not only the length and flexibility of the parental leave is important, but also the generosity of the allowance. In 1974 when parental leave was introduced, income replacement was raised to the level of sick pay, in other words to 90 per cent of pre-tax earnings for the 270 days (later 240 days) prior to childbirth (Sundström & Dufvander, 1998). At the same time the benefit became taxable and pensionable income. If the mother did not have an income before having a child, because she was studying or was a ‘house-wife’, then the father could not receive compensation above the guaranteed amount. This regulation was abolished in 1986. However, if the mother did have an income, the level of the parental allowance depended on the father’s own income (Riksförsäkringsverket, 1997:7).13

Ninety days of parental allowance days are compensated for by a low flat rate, which has been the same (SEK 60 = 6–7 euros) since 1987. Non-employed parents receive a guaranteed amount, which was the same as the flat-rate days until 2002, when it was first doubled and then in 2003 increased to SEK 150 (about 16 euros) and in 2004 to SEK 180 (about 20 euros). The highest amount of parental allowance a person today (2004) can receive per day is SEK 646 (about 70 euros) (www.rfv.se).14

In the wake of the economic crisis in Sweden in the 1990s, parental benefit was lowered in 1995 to 80 per cent of a parent’s income, in 1996 to 75 per cent and back to 80 per cent in 1998 when the economy recovered somewhat. However, there has always been a ceiling of 7.5 base amounts, which means (since salaries and wage differences have risen during this period) that the proportion of parents who have earnings above the ceiling, and therefore whose allowance is less than 80 per cent of their salary, increased during the 1990s. Between 1996 and 2001 the number of people with an income above the ceiling doubled. Around 36 per cent of the full-time employed had an income above the ceiling in 2001. 75 per cent of those with an income above the ceiling are men (Socialdepartementet, 2000).

In the development of the average parental allowance paid out per day to mothers and fathers, there is a distinct dip between 1995 and 1998 when the income compensation level was lowered. Today, parental allowance is back at the same level as in 1994 measured in fixed prices, but not as a percentage of income, probably mainly because incomes in general are higher today than ten years ago. Mothers’ average parental benefit is lower than fathers’. One reason for this is, of course, that mothers earn less than fathers, but also that mothers use a larger share of the flat-rate days. However, the gap between mothers’ and fathers’ parental allowance has narrowed; in 1994 the difference was 23 percentage points and in 2003 18 percentage points (calculated from data from www.rfv.se).

It could be argued that lowering of the compensation level of parental allowance and the fact that more parents (and especially fathers) today earn salaries above ‘the ceiling’ may have curbed the inclination of fathers’ (who generally earn a higher income than mothers) to take parental leave. On the other hand, the introduction of the ‘father’s month’ might have encouraged fathers to take more parental leave. In the next part of the article, we will investigate this question.

13 RFV = Riksförsäkringsverket is The National Social Insurance Board.
14 The parental insurance is financed by pay-roll taxes and amounts to 2.2 percent of the wage sum of all employees and the self-employed in the economy.
4.3 The use of parental leave

Almost all families with children make use of parental leave and parental allowance, and most also use the full entitlement. Ninety-seven per cent use some of the income-related days and around 90 per cent at least some of the flat-rate days. The share of families that uses their full entitlement amounts to around 60 per cent. The average number of unused parental leave days amounted to 28 income-related days and 31 flat-rate days (these data apply to children born in 1991–1993) (RFV 2002:12). Even if parents can use their parental leave until the child is eight years old, most parents use most of the days during the first two years of the child’s life. There is a considerable difference in the way women and men take parental leave. Women take parental leave mainly until the child is about 12 months old, while men in the main take parental leave when the child is between 11 and 15 months old (Jansson et al. 2003).

The proportion of mothers and fathers who take parental leave is unevenly distributed. While practically all mothers take parental leave, this is not the case with fathers. The proportion of fathers of those who receive parental allowance, however, increases, as does the proportion of parental allowance days taken by fathers and the average number of days of all fathers (see Diagram 4). In 1974 only about 3 per cent of those who received parental allowance were fathers and they took less than 1 per cent of the total parental allowance days. Today the proportion of fathers of those who are paid parental allowance is 43 per cent and the proportion of days the fathers take is 17 per cent. The average number of days considering all fathers, including those who used parental leave and those who didn't, was 9–10 days in 1989 and 20 days in 2002.

After something of a slow start, development seems to have speeded up slightly after 1995, when the “father’s month” was introduced. This is also a likely explanation for the decline in the average number of days of parental allowance per father who took parental leave after 1995. In 1993/94 the fathers who took parental leave took on average 40 days per year. In 2000 the corresponding figure was down to 26.6 days, but had increased to 30.2 days in 2003 (RFV). The reduced number of days indicates that the ‘additional’ fathers stay at home shorter periods of time than those who took parental leave before 1995. These shorter periods might also have come about as a result of the lower compensation level implemented in 1995, combined with higher wages and a larger share of fathers with earnings exceeding the ceiling.

Diagram 4: Proportion of fathers of those who receive parental allowance, fathers’ proportion of the total number of days of parental allowance, %, average number of days used by fathers and average number of days used by fathers who have received parental allowance, 1974–2003

---

15 I have not been able to find data for all years for any of the variables and none as far as the average number of parental allowance days for (all) fathers. However, I have found the number of days used by fathers: these days have been divided by the number of mothers, assuming that there are as many fathers as there are mothers.

16 Between 1978-1985 the parental insurance was divided into two different parts. It has not been possible to find data on the total number of parents who have taken these different types of leave.
For mothers, of course, the development is mirrored in that the proportion of mothers of those who receive parental allowance and the mothers' proportion of parental allowance have declined. But during the same period of time, the length of parental leave has been extended. It seems reasonable to believe that mothers today are at home with their babies longer than was the case in the 1970s, and that they did so most in the early 1990s, when parental leave was 450 days and there was no “father's quota”.

The data in Diagram 4 show the number of days of parental allowance during a specific year. However, it might be more interesting to investigate this from the perspective of the child and for the whole period of parental leave. As far as I know, there are no such data, but there is some information on how many days of parental allowance fathers have used by the time the child has turned four, by which time a very large part of paid parental allowance days has been used. Diagram 5 shows that more than half of the fathers of children born in 1993 and 1994, i.e. before the introduction of the ‘father's month', did not use one single day of parental allowance before the child was four years old. This proportion declined to 23–24 per cent, while the share who took 30 days or more before the child was four increased dramatically. There was a peak for this latter category for the children born in 1995, since then the 30+ days category has decreased slightly and the 1–29 days increased slightly. Looking at it this way, the introduction of the ‘father's month’ seems to have had a distinct impact on the use of parental allowance days by fathers. A given number of days seems to guide the number of days the fathers use, at least up to 30 days. It will be interesting to see if the number of days fathers take in the future adjust up to around 60 days. The other side of the coin is, of course, that the number of days of parental allowance that mothers use has decreased. Fathers of children born in 1999 had, by the time the child was four, used 43 parental allowance days, while mothers had used, on average, 338 days.

Diagram 5: Parental allowance days, number of children according to the use of parental allowance days by fathers, children born 1993–1999.
This could, however, be too rosy a picture. Mothers may perhaps use whole days of parental allowance, while fathers use a quarter of a day or even only one hour a day since the Swedish parental insurance system is very flexible. There is a big difference in being responsible for the care of a small child for a whole day and picking up a five-year-old one hour earlier from childcare. However, data from 1999–2003 show that both mothers and fathers to a very high degree take care of the child for whole days; 97 per cent of all the mothers’ parental allowance days and 95 percent of the fathers’ are full days, while 1.5 per cent of mothers’ days and 3 per cent of fathers’ days are half days. The use of three-quarters of a day, one-quarter or one-eighth of a day is negligible (RFV).

The legislation on parental leave and the level of parental allowance influences how parents’ decide to share parental allowance between them. But other family factors also influence this decision. One is that the higher the educational level of the father, the more parental leave he takes, and the higher the educational level of the mother, the higher the probability that the fathers will use parental leave and use more days. The father’s share is lowest in families where both parents only have nine-years of compulsory schooling. The level of income, and especially the father’s income, also affects the probability of the father taking parental allowance and for how long. The likelihood of fathers taking parental leave is higher in high-income families, and they also take a larger proportion of parental days than fathers with lower incomes. However, this is the case only up to incomes around ‘the ceiling’, fathers with incomes above ‘the ceiling’ take less parental leave. Fathers, use the days when parental allowance is income-related to a higher degree than they use the flat-rate days (Jansson et al. 2003 p. 21). Fathers who have a weak attachment to the labour market; low incomes, receive unemployment allowance and/or social allowance do not use any parental allowance or a lower share of the family’s parental allowance compared with other fathers. These patterns are not evident amongst mothers (RFV 2002:14).

If both parents are born outside Sweden, a much larger proportion of fathers chooses not to take any parental leave, and those who do use fewer days. However, fathers in families where the mother is born abroad take parental leave differently. In these families, the fathers take a larger share of the total number of days of parental allowance and, on average, more days. The reverse is true in families where the father is born outside Sweden.
Sweden. In these families, fathers take, on average, a lower proportion and fewer days than other fathers (Jansson et al. 2003). In both cases, part of the explanation might be that mothers and fathers born outside Sweden have a more insecure position in the labour market, and therefore use parental leave less and their partners use more than the average.

All in all, studies show that when fathers do take parental leave, it is usually for a fairly short period. Findings also indicate that the introduction of parental leave has not increased the fathers’ care of children, in terms of taking parental leave, in all families. In families where fathers have a relatively poor attachment to the labour market and relative low incomes, fathers do not use parental leave at all or only a small proportion of the family's parental allowance. This means that the mothers in these families take all or almost all parental leave even after the introduction of the ‘father’s quota’. Then there are families where both the mother and father have high incomes, (but the father not above ‘the ceiling’), are well educated, have permanent and secure jobs, and to a higher degree share parental leave bringing them closer to the dual-earner/dual-carer model.

4.4 The generosity of parental insurance and the women’s labour force participation, gender segregation and the gender wage gap

The Swedish Ministry of Finance has recently investigated the relationship between the generosity of parental insurance, women’s employment, gender segregation and gender wage gaps in OECD–countries (Jansson et al. 2003, chapter 4). The results of this study are used extensively here to enable a better understanding of the relation between parental insurance, women’s labour force participation, gender segregation and the gender wage gap. The generosity of parental insurance is measured as the number of weeks a parent can be on leave multiplied by the size of the share of earnings being compensated (a.a. p. 58). This might not be considered an ideal measurement, as the level of generosity of parental insurance might be the same, although the composition differs. Long parental leave combined with low parental allowance might mean that women stay home ‘too long’, while a combination of short leave and a high income compensation level might induce men to take more parental leave, ie long parental leave with low benefit and short parental leave with high benefits will have different effects.

Still, the Ministry of Finance found a clear negative relationship between the employment gap, ie women’s employment rate in relation to men’s, and the generosity of the parental leave. One reason why parental leave has contributed to the strong increase in mothers’ employment is that the job guarantee attached to parental leave reinforces continuous labour force attachment. Today, almost all mothers return to work after parental leave and a very large majority to the same employer. Parental insurance not only strengthens women’s labour force participation after having a child, but also before having the child. It has been shown that the cash benefits encourage women who intend to have children to work full-time for a sufficient period before they have children, so as to qualify for high earnings-related benefits during parental leave (Sundström & Duvander, 1998). Parental leave has given young women strong incentives to establish themselves in the labour market before having children and strengthen their attachment to the labour market after

---

17 It should be pointed out that the views presented in the investigation are the views of the authors, not of the Ministry of Finance as such.
having a child as they have the right to return to their employer. Some studies argue that countries with generous parental insurance, systems which give longer leave and compensate a larger share of the income, motivates women both with and without children to participate in the labour market to a higher degree (Albrecht et al., 2003). In this case it does not matter whether it is parental leave or maternity leave.

Others believe that it is rather the set-up of the welfare state (the mix of institutional arrangement between the labour market, welfare state and the family) that explains the high employment rate amongst women. The findings of the Ministry of Finance report support both these interpretations. There is a clear relation between the generosity of parental insurance and the employment gap. In countries where parental insurance is generous, women’s employment rate is, in comparison to men’s, higher than in countries where parental allowance is less generous.

However, this does not mean that parental leave is unproblematic. Although it has supported women’s labour force participation, there is a risk that parental leave will contribute to maintaining and reinforcing the inequalities associated with gender segregation in the labour market and gender wage gaps. It seems reasonable to believe that this risk would be greater the longer the parental leave, and as long as parental leave is taken mainly by women. If a mother in Sweden in 1974 took all the parental allowance days, she could use 180 days (6 months); today she can use the parental allowance days of 360 days plus the ‘mother’s months’ of 60 days, ie a total of 420 days (14 months). Extended parental leave might thus be a hindrance to gender equality in the labour market and in the family. That leave entitlements have become so much longer (especially if successive births are scaled within an appropriate time framework as in Sweden) means that their full use can result in a significant career interruption and a lag in wage increases.

Although women’s labour force participation has increased, several studies show that the Swedish labour market is strongly segregated (Persson & Wadensjö 1997). The Ministry of Finance found a clear positive relation between the generosity of parental leave and the degree of gender segregation in the labour markets in OECD–countries. According to this study, Sweden provides generous parental insurance, but its labour market is also one of the most gender-segregated. One might expect that an increased number of employed women would lead to less gender segregation, as women would also enter traditionally male-dominated occupations and the attitudes of employers towards women workers would be more positive. This has certainly been the case, but the effects are not big enough to counter the pressures in the other direction. If, for instance, employers have an interest in sorting the employees according to the statistical probability of absence from work, for example, for parental leave, then it is more difficult to judge the risks, with a bigger proportion of women in the labour market. In countries with a low employment rate among women, the women’s labour force might largely consist of highly educated women with strong occupational aspirations and few children. With an increased share of women in the labour force, more women will have a low level of education, short working experience, and to a higher degree than well-educated women divide their commitments between work and family (Jonung, 1997). This might mean that employers react by excluding women from occupations where absence is costly. The result is a gender-segregated labour market. According to the Ministry of Finance, women are mainly employed in traditional female occupations, have not in any great numbers reached higher positions and are often employed in the public sector. An alternative explanation for the strongly gender-segregated labour market, however, is a high employment rate. Countries
with a high proportion of women in the labour force also have a more gender-segregated labour market.

We could also expect a negative relation between the gender wage gap and the generosity of parental insurance. However, in a simple comparison between the generosity of parental insurance and the gender wage gap in OECD–countries, the Ministry of Finance did not find any effects (Jansson et al. 2003 ch. 4 and 6). An international study that tried to isolate the effects of parental insurance from other structural differences between several countries does, however, find that increased generosity, especially with longer periods of absence, increases the wage gap somewhat (Ruhm, 1998). The Ministry of Finance’s study of the conditions in Sweden found that women, to a significantly larger extent than men, work in occupations with flatter wage profiles. This implicates that women lose less than men by being absent from work. It is difficult to judge whether the reason for this is women’s choices or employers’ selection. If it is possible to combine a well-paid job with having children, it is hard to find valid, rational arguments as to why women should choose lower paid occupations. In a recent investigation three out of ten professional women state that they have missed a wage increase because of parental leave and one in ten that they have missed a promotion (www.jusek.se, 19 March, 2004).

5 Discussion

In comparative welfare state research it is often assumed that public childcare and parental leave further gender equality and the dual-earner/dual-carer model. The main criterion of success of such policies is the integration of women, and particularly of mothers, into the labour force. Sweden is often singled out as a country where women and mothers have entered the labour market to a very high extent thanks to public policies of parental leave and of subsidised childcare. Many have concluded that Sweden has moved away from the conventional male breadwinner model towards a dual-earner/dual-carer model. However, this conclusion has two major shortcomings. The first is the assumption that policies come first and then comes women’s employment, when in fact the reverse was true. Secondly, it is doubtful whether public childcare and parental leave have the same relationship to the dual-earner/dual-carer model.

Public childcare has been accessible in terms of opening hours and fees, and quality has been reasonable. For a long time, the problem was the supply of public childcare. Mothers entered the labour market long before there was enough public childcare available and childcare had to be arranged in the informal sector. Until 1990, mothers’ employment rate and public childcare expanded simultaneously, but in the 1990s mothers’ employment declined as a result of the economic crisis, while public childcare continued to expand. Today, the employment rate for mothers with pre-school children is at the same level as in the first half of the 1980s. Nonetheless, a return to the male breadwinner model/female housewife model as a norm is not possible. Neither is it possible to return to a model of public childcare where only a limited number of children have the right to public childcare. Public childcare is more universal today than before the crisis in the 1990s and thus, in a sense, less linked to the dual-earner/dual-carer model. Public childcare has supported mothers’ employment, and in the 1960s and 1970s it was believed that as a consequence of women’s employment, there would also be gender equality in the family, i.e. women and men would share domestic and care work. However, this is not the case. It might be argued that public childcare, which has supported women’s economic

---

independence, at the same time has provided men with opportunities to avoid a gender equal responsibility for the care of children. Public childcare has supported the dual-earner part of the dual-earner/dual-carer model, but not the dual-carer part.

Whether parental insurance supports the dual-earner/dual-carer model or not is difficult to judge. A long period of parental leave mainly taken by mothers is a two-edged sword for this model. The question is when parental leave is ‘too long’ or ‘too short’. The answer to this question differs between different countries and between different points of time in history. In some countries three months is seen as long and in others three years is seen as appropriate. A parental leave of 18 months would have been seen as too long in Sweden in the 1970s. The answer also depends on in which respect we talk about “too long” or ‘too short’. A rather long period of parental leave is probably not a major problem if we only consider women’s attachment to the labour market as long as there is a right to return to work. Parental insurance has been a first important step towards a more equal labour market by increasing women’s labour force participation. However, women’s and men’s occupations often differ and there is a gender wage gap that does not seem to be narrowing. Parental leave provisions, therefore, seems to have had little impact in reducing the current occupational segregation of men and women and the gender wage gap. In relation to gender segregation in the labour market and wages, a long period of parental leave is a problem. In occupations where knowledge is quickly outdated, or where the goal is a career and salary increases, it is probably not advisable to be absent from work for a long time and thus a rather short period of parental leave is preferable. But, at the same time, mothers need some time to rest after having a child, and if they breastfeed, to be close to the child both day and night at least in the beginning when the child has to be fed at night. Also, the shorter the parental leave, the less likely it is that the father will take any of it. Traditional family patterns remain and women continue to bear the main responsibility for home and family whether parental leave is long or short. At the same time, however, the economically supporting, but absent father, as a norm is no longer accepted.
Ultimately, the problem may not be the length of parental leave *per se*; but that fathers can choose whether or not to take parental leave in a way that mothers cannot. Parental insurance makes it possible for fathers to be absent from work to take care of a child, but they can choose whether or not to use it. The impact on the labour market and on the family depends on what fathers decide. To date, a great majority of fathers have taken the period of parental leave that is earmarked for them, while the larger ‘voluntary’ part is taken by few fathers and practically all mothers. There are drawbacks to this situation. One is that parental leave to be shared at the discretion of the parents does not work well for setting boundaries for fathers in the same way as a right reserved for them, because choice then means freedom to choose paid work. Another is that parental insurance is not attractive enough for men and in terms of income-compensation rate increasingly less so. In a perspective from the 1970s the period of parental leave has increased with 250 per cent, at the same time as the level of income compensation has decreased considerably especially for fathers. It is highly doubtful if this development has furthered the dual-earner/dual-carer model. To achieve gender equality in care for children and domestic work more fundamental changes are called for.

References


Skolverket (2003), Press release 2003-10-08.


Skolverket (2003e), *Uppföljning av reformen maxtaxa, allmän förskola m.m*. Skolverkets rapport nr 231. Stockholm: Skolverket.


www.jusek.se
www.rfv.se