Parental Leave in Iceland
Bringing the Fathers in
Developments in the Wake of New Legislation in 2000

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Abstract

The Icelandic Act on Maternity/Paternity and Parental Leave underwent significant changes in the year 2000. The leave was extended from six months to nine, parents who were active in the labor market were paid 80% of their average salaries during the leave and the payments were to come from a specific fund, financed through an insurance levy. The leave was furthermore distributed so that fathers were given three months’ leave, mothers three months and the parents were given three months to share as they wished. The Act has been well received by society and around 90% of fathers take advantage of their right, using on average 97 days while mothers use an average of 180 days. It is therefore likely that more fathers than ever are active in the caring for young children. It is also indicated that the Act has leveled the status of men and women in the labor market in Iceland. Furthermore, fertility has increased in the wake of these changes and now stands at 2.1 children per woman.
A special leave for women from paid employment because of pregnancy, birth or the caring of children has quite a long history in Scandinavia. The first legislation dates back as far as the end of the 19th and early 20th centuries in Norway, Sweden and Denmark. The first laws only referred to the protection of mother and child and did not touch on the subject of payments or job protection. Little by little, this began to change and Sweden was the first to prohibit women’s termination from paid employment due to pregnancy or maternity leave. Payments to women on maternity leave emerged in Scandinavia in the years 1946-1964 (Fríða Rós Valdimarsdóttir 2005, 4–7).

Changes in legislation and regulation regarding maternity/paternity leave are closely interlinked to the changes in the social status of women and men which occurred in the 20th century. While the main idea about the position of women and men, based in the social division of labor that married women, mothers in particular, should devote themselves to the caring for home and family and that men were obliged to “provide” for their families, remained, there was no perceived need for a general maternity/paternity leave. It was fine for women to participate in the labor market until they got married, but at that time or at least no later than at the time of conception, they should withdraw from the labor market. The word “provide” here is put into quotation marks because the division of labor of course was not such that one party was providing for the other. The tasks that women took care of inside the home enabled the labor market to absorb men’s lives to such a great extent as was the case.

An example of this kind of thinking in Iceland can be found in a book published in Reykjavik in the mid-1960s. “The woman may have worked outside of the home before her marriage, had a good salary and gotten used to having some money to spend. Now she leaves her fine position and becomes the director of the home. The man works outside the home and earns the money. The money he earns must now be enough for both of them, and the whole family as it grows.” (Hannes Jónsson 1965, 87).

The thinking behind maternity leave and the changes that have been made to it are based on the following:

a) The need to protect mother and child. A mother’s situation must be such that neither she nor the child are placed in danger, either at work or at home (e.g. because of poverty).

b) The importance of maintaining the fertility rate and preferably so that it is not lower than that needed to naturally maintain the nation, that is about 2.1 children per woman.

c) As we progress into the 20th century, it became more important that women participate in paid employment. Women are now
better educated than men so it is poor human resource management if women are run out of the labor market or marginalized because of childbirth.

d) Closely related to item c), is the fact that women have been discriminated against in the labor market as regards pay and promotion. The discrimination has been based on, among other things, the idea that their having children will make them less valuable employees than men. Therefore, it has been important to try and make maternity leave structured so that this discrimination is not enhanced, that is that women are enabled to do both; have children and participate in paid employment.

In an extensive survey about the gender pay gap, conducted in Iceland in 1994, this attitude towards women was clearly indicated in some managers’ answers. No manager believed that having children under the age of six would negatively impact a man’s opportunities for career advancement, but 27% believed that it would negatively impact women’s career opportunities (Guðbjörg Andrea Jónsdóttir 1995, 75). The same survey suggests that these attitudes are so generally accepted that they are not considered discriminatory: “A woman, who handles hiring in a private firm, stated that men and women had perfectly equal opportunities for advancement within the firm, but also stated that of course it was inopportune for women to drop out of the labor market for 6-8 months. So she pushed aside applications from women who had young children at home. All the respondents in this firm agreed that women with young children were less likely to be hired and that it was sensible not to hire them (Guðbjörg Andrea Jónsdóttir 1995, 59).

e) It has long since been clear that the most effective way to reduce the negative impact of such ideas about women in the labor market is to increase the responsibility of men in the caring work of the family. That would serve both to make them an equally unstable labor force as women are believed to be, and to level out the family responsibilities over time. Additionally, it is believed that the pedagogical effect of children observing both parents participating in caring and chores around the house contributes to increased gender equality in the longer term. It has also been indicated that men in cohabitation who grew up in a two-parent family where the mother was working outside of the home are more active around the home than other men (Gupta 2006). Finally, one must mention that numerous studies in Iceland and abroad indicate that many men feel that they do not have an opportunity to enjoy the kind of family life that they would like. In that regard, 40.7% of men surveyed in 1988 said that they would like to reduce the time spent in paid employment, and 31.7% said it was because they wanted to tend more to their children and home (Stefán Ólafsson 1990, 62–63). Active participation in the caring of young children is likely to deliver them additional possibilities for such a life.

This short description of the ideas behind maternity/paternity leave is also a chronological overview of the changes in maternity/paternity leave in Scandinavia. The most recent changes in all of the countries, except for Denmark, aim to increase the number of men taking paternity leave. The following is a review of the current status in Iceland after the implementation of the Act on Maternity/Paternity and Parental Leave (no. 95/2000), but the Act was a radical step in the direction of increasing the share of fathers in the caring for their children.
The first instance of financial support in relation to birth is believed to be in laws about social insurance from 1938. Art. 30 of the law reads: “Health management organizations are permitted to approve assistance more wide-ranging than stated herein, included full medical assistance, medical treatment from doctors other than the insurance doctor, support for childbirth...” (Lög um allþýðutryggingar 1938, 23–24). It is unclear whether any of the health management organizations adopted such rules, but it must be considered fairly unlikely.

It is not until the laws on general insurance is passed in 1946 that a policy is adopted to compensate working mothers for the loss of income caused by the birth of a child. The legal text is a very clear example of the relations between the sexes sometimes referred to as the “housewives’ code” (Hirdman 1990) which in short states that men’s main role is to provide financially for women and children, but the women’s main role is being a mother and housewife. Art. 34 of the law stated: “At the birth of each child, the mother has a right to a payment of 80.00 ISK, whether she works outside of the home or not. Mothers, who work outside of the home, shall be paid 140.00 ISK per month for up to three months total before and after the birth, assuming that they do not work or get paid for work during that time. A married woman can only get paid according to this article if her husband is unable to provide for the home and family. ... Mothers, who do not work outside of the home get, in addition to the 80.00 ISK mentioned in par. 1, up to 120.00 ISK to cover any expenses incurred because of the birth.” (Stjórnartíðindi 1946, 112).

It should also be mentioned that the birth grant is believed to have been used to pay for a birth in a hospital or maternity ward, and is not actually a paid maternity leave (Stefán Ólafsson 1999, 115). It also does not include any clauses on the mother’s right to return to her previous job, the father’s role as provider is confirmed and the law, of course, only refers to mothers.

The next legislation appeared in law no. 38/1954 on the rights and duties of government- al employees, which gave women in public service the right to be paid during a 90 days absence from work after childbirth. This gave women in the public sector a much better standing than women in the private sector, and that situation remains to this day.

This law was altered twice before the revolution in the year 2000. In 1987, women in public service had their leave extended incrementally to six months and payments were also adjusted so that the mother kept the average pay of the last six months for three months, and then her fixed salary for three additional months. Additionally, the mother was allowed to extend her leave to nine months, at a reduced rate. In 1989 the period referred to for payments was lengthened to 12 months and the mother allowed to length-
en the leave to 12 months against a relative reduction in payments.

The public labor market first underwent changes in 1975 when law no. 56/1975 was approved as an amendment to law no. 57/1973 on unemployment benefits. This amendment brought in the following clause: “Nonetheless, women who have been unable to work due to childbirth shall receive unemployment benefits for a total of 90 days” (*Stjórnartíðindi* 1975, 112). No clause is added to protect against termination or guarantee the right to return to her job.

Before this legislation was approved, there were some clauses on maternity leave in some collective agreements (Eðlín Pálsdóttir Flygenring 1985, 42).

A great deal of societal changes and discussions had taken place at this point. Women’s labor market participation had increased from 35.8% in 1940 to 60% by 1975, the proportion of women among those who completed university entrance exams had gone from 26.3% in 1940/1941 to 49.5% in 1974/1975 and among graduates from the University of Iceland women had gone from being 7.2% in 1950/1951-1954/1955 to 32.7% in 1975/1976-1979/1980 (*Hagskinna*, 216, 858, 859). Intensive discussion took place about the status of women and men, the women’s liberation movement was influential and society in general was bustling with activity (Herdís Helgadóttir 1996).

On June 20-21 in 1975 a committee on the United Nations’ Year of the Woman held a conference at Hotel Loftleidir. The results of working group 19, which addressed the “campaign for gender equality”, stated a long term goal as follows: “It is essential that fathers get a 1-2 week leave from work when a child is born. Women cannot be expected to tend to a newborn child, and perhaps more children, a week after giving birth. They need longer rest. Additionally, it is very important to strengthen the relationship between father and child and that the relationship is established as early as possible” (*Skýrsla Kvennaársnefndar*, 44).

As far as I can see, this is the first time fathers are publicly associated with paternity leave. The logic is interesting. On the one hand, the importance of the relationship between father and child is stated, and on the other hand the need for the father’s assistance in the home while the mother recuperates after giving birth is verbalized. The leveling of women’s and men’s status in the workplace or the home has not yet entered the equation as real support for the argument.

Five years after this idea was first aired, Althingi approved laws no. 97/1980 on maternity/paternity leave. According to these laws, a parent whose legal domicile was in Iceland had the right to three months’ maternity/paternity leave and the payments were moved from unemployment insurance to social insurance. It was made illegal to terminate a pregnant woman’s employment “unless valid and pressing reasons are given” (Art. 1) and the same was stated for any parent on maternity/paternity leave. This marks the notable change that the right to return to one’s previous employment is recognized. Another change is included in that fathers get a certain right to paternity leave so that if the mother so chose, the father could take the last month of the leave. Payments were based on the extent of the mother’s participation in the labor market, although they were not based on income but were flat for all those who had worked a given number of daytime hours in the last twelve months before the taking of the leave. Two thirds of the amount for a different number of daytime work and one third of the amount for those not active in the labor market or had worked 515 hours or less. Additionally, a clause was included that allowed parents to negotiate a longer leave with their employer, although the amount of payment would not change.

Maternity/paternity leave in the public labor market was lengthened incrementally from three months to six with laws no. 57/1987. All former clauses stating that the mother decides on the sharing of the leave were nullified at this time; the only reference in the legislation is that the right belongs to the “parents.”

An additional law approved during the same parliamentary session was law no. 59/1987, which amended the law on social insurance.
This law covered payments during maternity/paternity leave and introduced their division into birth grant and birth per diem. The grant referred to a fixed amount, unrelated to labor market participation, and was payable only to mothers throughout the duration of the maternity leave. Union members who maintained their full salaries during the maternity leave were excluded from the grant. The birth per diem was tied to labor market participation, so those who had worked a minimum of 1,032 daytime hours in the last twelve months before resuming the leave were paid full per diem, while those who had worked 516–1,031 daytime hours were paid half of the per diem. The status of fathers and mothers was further addressed as follows: “Now the mother has received the birth per diem for at least one month after the birth, and the father is then entitled to receive the birth per diem instead of the mother, if she so wishes, as he does not continue to work for pay during the leave. Parents can share the maternity/paternity leave, for example take the leave at the same time in part or in whole” (Stjórnartíðindi 1987). The rule therefore remains that the father’s right to payments while on leave is based on the mother’s behavior and her wishes. These laws remained in essence valid up until the changes in 2000.

It was clear in the 1980s that Icelandic legislation on maternity/paternity leave was quite insufficient. The variation in rights depending on whether they worked in the public or private sector created significant problems. The rights were considerably less than in the other Scandinavian countries and it was believed that since women alone left the labor market because of childbirth this hindered their advancement, and that fathers were losing out by not spending much time inside the home in the first months after the birth of a child. Also, the payments were generally quite low and families’ loss of income was considerable if the mother had been working in the private sector. This clearly meant that fathers had to work more in order to maintain the family’s income after the birth of a child. Additionally, there were no specific childcare resources available from the end of the maternity/paternity leave until the daycare centers were able to take children in. Many women would therefore leave the labor market during this time, or return only for a part-time job (see for example Lilja Mósesdóttir & Davíð Pór Björgvinsson 1998).

A study among the parents of children born in 1997 showed that only 57% of mothers had gone back to paid employment 13 months after giving birth. If a mother did not have another child, her labor market participation had returned to a similar level as it had been five months before giving birth when the child turned two years old. The average work hours of fathers, on the hand, generally increased (Guðný Björk Eydal 2004, 327–328).

Governments and other parties to the labor market were well aware of these problems and at least two public committees were appointed to seek solutions. The first was appointed in 1989 and the latter in November of 1995. Twelve people served on the committees, primarily representatives of parties to the labor market, but also the chair of the Gender Equality Council. The Minister of Health terminated the committee within one year, as it appeared that it was so severely divided on the issue that no conclusion would be reached (Morgunblaðið 24. October 1996).

The Icelandic Federation of Labor (ASÍ) was very active in the formulation of family policy during this time, and among other things hosted a conference in May of 1998 where ASI’s policy on a rights system for parents in the labor market was presented. Among the demands put forth was a 52 weeks long maternity/paternity and parental leave, a certain share would be tied to the father, a certain share to the mother and then a share to divide at choice. Full salary would be maintained during the leave and a flexible policy introduced (Vinnan 6. tbl. June 1998).

Other labor unions were also active in this field and put forth demands which focused on similar issues; lengthening the leave, tying a share of it to the father, a share to the mother and then a share to divide between them, payments linked to salary, and flexibility. It should also be mentioned that employers’ associations had publicly addressed the possibility of changes
that would, among other things, entail the linking of salaries to payments during leave (Morgunblaðið 19. May 1999).

Another thing that indicates how demanding an issue this was considered, is that before the elections in 1999 all the parties which had representatives in parliament had changes in the maternity/paternity leave on their agendas. Furthermore, all mentioned increasing the options of fathers in that context. Before that, members of the Women’s Alliance had presented numerous proposals for maternity/paternity leave (Guðný Björk Eydal 2000, 443).

According to numbers from the State Social Security Institute (SSSI) not many men took paternity leave in the years 1993-1998. Between 8 and 17 fathers annually received some payments from SSSI because of paternity leave during these years. That is about 0.3% of the number of mothers who received payments (Staðtölur almannatryggings 2001, 43). This does not entail a lack of interest or participation on the behalf of fathers in relation to a birth. A qualitative study conducted at the time shows that all the fathers interviewed, apart from one, had taken some leave from paid employment because of the birth. The time varied a great deal, from 2-3 days to a month but 2-3 weeks seemed quite common. None of the fathers had, however, taken advantage of payments from the SSSI but rather, had taken unpaid leave or used accumulated summer vacation time (Ingólfur V. Gíslason 1997, 25–26).

It also indicates how apparent the need for change had become that some firms had started paying salaries during maternity/paternity leave. A study into the situation of parents who had their first child during 1997 showed that 19% of the mothers and 9% of the fathers were paid a salary during their leave, aside from the leave dictated by law, that is their employer paid some form of salary during the leave. (Guðný Björk Eydal 2004, 331).

Some unions had made arrangements for their members on maternity/paternity leave, for example the Confederation of Icelandic Bank and Finance Employees and the Association of Icelandic Journalists. Furthermore, VR Trade Union paid women on maternity leave benefits from the union’s sick leave funds.

At the end of the 1990s some municipalities started giving men in their employ two weeks of paid salary when they became fathers and the step was taken to full when Althingi, on December 19, 1997, amended the legislation on maternity/paternity leave. With the amendment, all Icelandic fathers gained the right to a two week long paternity leave, which could be taken at any time during the first eight weeks after the birth or the arrival of the child at home. As for the mothers, fathers’ right to payment depended on whether they worked in the public or private sector.
III. Legislative Changes in the Year 2000

On April 28, 2000 then Minister of Social Affairs, Mr. Páll Péðursson, introduced a proposal for a new law on maternity/paternity and parental leave. The proposal was presented so late in the parliamentary session that an exception was needed to have it paneled, and such an exception was granted with pleasure.

According to the objectives of the law (Art. 2), it was supposed to guarantee the child time with both father and mother, and to enable both men and women to participate fully in both family life and employment. It is nonetheless clear from discussions in parliament and in society, that further hopes were attached to these changes. The Minister of Social Affairs mentioned that he hoped this would have the added impact on reducing the gender pay gap, and the chair of the Left-Green Party had similar expectations.

The legislative proposal was accompanied by a review from the Ministry of Financial Affairs' Budget Department. The review stated, on expected costs: “The expected total costs of the proposal, because of people in the labor market, is about 2 billion ISK in 2001, for 2002 it is expected to be 2.5 billion ISK. And in 2003 the total expected cost is expected to 3 billion ISK. It is expected that by then the right to parental leave [sic] will be fully utilized and that the mother will take advantage of the shared months. Some reservations must be stated, however, to this estimate as it is uncertain to what an extent fathers will take advantage of their rights…”

It soon became apparent that this estimate would not be realized. The actual estimate was 2,756 million ISK in 2001, 4,547 million ISK in 2002 and 5,580 million ISK in 2003. (Staðtölur almannottrygginga 2003). A reason has not been obtained for the underestimate of the cost, but most likely the participation of fathers was significantly underestimated. The estimated additional cost of 500 million ISK for each month added to the fathers’ rights indicated this, but the actual added cost became 1.8 billion ISK when the second month was added for fathers and a further billion for the third month. Additionally, discussions in parliament in 2004, when changes to the Act were discussed, make it clear that members of parliament believed that this was the reason for the underestimate (Alþingistíðindi 2004).

The proposal had great support in Althingi. Discussions lasted for a total of less than four hours and when it came to the final vote no member of parliament objected, although one abstained.

a) The main points of the Act
The main points of the Act were as follows:
1. The leave was extended incrementally from six months to nine
2. A sharing was introduced between the parents so that three months were tied to
the father, three to the mother and three months were for the parents to divide at will. The months tied to the father were added incrementally, so that they had one month in 2001, two in 2002 and three as of 2003. The months tied to either parent were made non-transferable unless either mother or father passed away before she or he had fully utilized his or her leave. The remaining leave would then be transferred to the surviving parent.

3. The taking of the leave could be spread over 18 months following the birth of a child. The remaining leave would then be void.

4. A certain amount of flexibility was introduced to the system so that an employee could make an arrangement with his/her employer to divide the leave into a number of shorter intervals and/or take leave along with working a part-time job. If an agreement could not be reached, the employee could always take the leave in full.

5. A specific fund was set up to finance the payments for maternity/paternity leave. The fund was financed with a part of the employers' insurance levy.

6. Those active in the labor market were paid 80% of their average total salary during the leave. The average was taken from twelve consecutive months, up until two months before the beginning of the maternity/paternity leave. The payments had a certain floor, in the sense that if 80% of the salary was less than a certain amount, the payments were raised. On the other hand, there was no roof on the payments; no matter how high the salary, the payments during the leave would be 80% of the amount.

7. Those outside of the labor market, or working less than 25% had the right to a birth grant in the same way as parents on maternity/paternity leave.

8. A specific parental leave was introduced, where each parent is granted a thirteen week leave to tend to their child, up until it reaches the age of eight. This is only a leave, no payments accompany it.

9. Pregnancy protection was specifically treated in the new Act, and employers were obligated to alter the work conditions or hours of a pregnant woman, a new mother or a breastfeeding woman, if her safety and health could be at risk. Such changes may not be lead to lower wages.

10. A hiring contract between an employee and employer remains unchanged during maternity/paternity and parental leave and an employee can not be terminated during such leave. The same applies for pregnant women.

11. Finally, it must be mentioned that maternity/paternity leave is considered a part of an employee's time with the employer when evaluating work-related rights. Raises and sick leave based on time with employer, for example, are calculated in the same way as if an employee had been tending to his/her regular work.

These changes were revolutionary in many ways. First, the extension of the leave is considerable. Second, this marks the first time that maternity/paternity leave is divided into three parts in such a way. Third, it is rather unusual in Iceland for benefits to be linked to salary in such a way. Iceland has, rather, been different than the other Scandinavian countries in that benefits have not been related to previous income levels (Stefán Ólafsson 1999). Fourth, the financing of the benefits was arranged without anybody experiencing added costs. A part of an insurance levy, already paid by employers now went to the Maternity/Paternity Leave Fund, whereas it had previously been allocated to the unemployment insurance fund. A win-win situation had therefore been created; everybody was better off after the change than before.

Finally, one of the objectives of the legislation bears mentioning, but that is the attempt to level employees' rights to maternity/paternity leave, regardless of whether they worked in the public or private sector. The difference is far less now than before the implementation of the Act, but was not completely eliminated. One of the factors contributing to that is the existence of a family and support fund for public employees.
and the accumulation of rights to vacation pay during maternity/paternity leave.

In regard to the prior instance, the public employees’ unions (BHM, BSRB and KI) negotiated the establishment of a special Family and Support Fund, used to pay women in public service the difference of the 80% payment from the Maternity/Paternity Leave Fund and their full salary. Men in public service do not receive such payments. At the end of 2006, the Complaints Committee on Equal Status found that the Fund’s refusal to pay fathers was against the Gender Equality Act and asked the Fund not to discriminate on the grounds of sex (http://www.rettarheimild.is/Felagsmala/KaerunefndJafnrettismala/2006/12/18/nr/2384). One can therefore expect that this part of the Fund’s operation will undergo some changes, but the rights of public employees appear to remain better than those of employees in the private sector in this regard.

As for the latter, it was debated whether the Maternity/Paternity Leave Fund should pay accumulated vacation. The Maternity/Paternity and Parental Leave Complaints Committee found that it should not do so, causing ASI to file a lawsuit in order to reverse that opinion. The case was lost at the Reykjavik District Court (Case no. E-1795/2004). On the other hand, public employees’ unions have negotiated so that their members accumulate the right to vacation pay while on maternity/paternity leave.

b) Legislative changes in 2004

On April 5, 2004 then Minister of Social Affairs, Mr. Árni Magnússon, proposed changes to the maternity/paternity leave act. The main purpose of the changes was said to be “to strengthen the maternity/paternity leave system, ensure its status and limit somewhat the payments from the Maternity/Paternity Leave Fund” (Alþingistöðindi 2003-04, 5193). The reason for the proposed changes was that the Maternity/Paternity Leave Fund was going bankrupt as its source of income was insufficient. The main reason for that is believed to be that more fathers than expected took advantage of their right to the leave, as previously stated.

The arrangements proposed, according to the proposal, entailed on the one hand increased revenues for the fund and decreased expenses on the other. The former was done by raising further the proportion of the insurance levy going to the fund. The latter was more complex and entailed three main things.

First, a roof was placed on payments from the fund so that maximum payments were limited to 480,000 ISK per month. Individuals, whose monthly salary was more than 600,000, would therefore not be paid 80% of their salaries. This was not really expected to impact the financial status of the fund, as in the year before the change was proposed, that is in 2003, only 195 parents had had monthly salaries higher than that amount.

Second, payments would now be based on the average salary from a period of 24 months rather than twelve, and third, data from the Maternity/Paternity Leave Fund and the tax authorities would be compared to prevent abuse and ensure that payments correspond to actual loss of income. To make this comparison easier, it was further decided that the 24 months would refer to the calendar year, rather than the 24 months prior to the birth of the child. This can entail significant variation in payments, depending on what time of the year the child is born.

These changes had little impact on the basis of the system. There was some debate in parliament as to what negative impact the roof might have, as managers might no longer choose to avail themselves of their right to maternity/paternity leave, and this would influence their staff so that they also would use less of their leave. It is too soon to tell whether these concerns were justified.

It does seem clear, however, that the legislative change can negatively impact both parents’ financial status and fertility. This is primarily because of the lengthening of the time used to calculate average salary. If a couple has another child within 24 months of the birth of a previous child, they will receive only 80% of 80%, which makes the loss of income quite considerable. This is therefore likely to contribute to further spacing of births, and taking into account the
higher age of first-time mothers already (26.3 years in 2005), one can expect that fewer children will be born than if births are spread over a shorter time. Additionally, one of the possible effects may be that fathers are less likely to take advantage of paternity leave or will be forced to increase their paid labor.

These negative side effects of the 2004 changes were actually an issue that emerged in a survey conducted by Capacent Gallup (Bryndís Jónsdóttir, forthcoming) on the experiences of parents on maternity/paternity leave. The survey asked respondents whether they believed that the current laws on maternity/paternity and parental leave will make it more or less likely that they will have children. A great majority, or 68.5%, believed that there would be no impact, but 16.5% believed that the impact would be negative. Out of that group, considerable more (22%) were women. Of those who believed the impact would be negative, 30.2% said that the two year reference period for the calculation of average wages was unjust and too long. This was believed to be a punishment for people who spaced their children tightly. This was the third most common reason given, after a too short maternity/paternity leave (43.9%) and that the loss of income is too significant (36.5%).
IV. Uptake and Effects

The following will review a number of factors contributing to the uptake of maternity/paternity and parental leave in Iceland after the changes in legislation in 2000, and an attempt will be done to estimate to what an extent these changes had the intended results. As previously stated, several factors contributed to the legislative changes. Two of the main objectives are mentioned in the Act itself; giving the child time with both parents and enabling both parents to participate fully in home life and employment. Additionally, discussions in parliament raised hopes that the law would also contribute to a leveling out of women’s and men’s status on the labor market by reducing the gender pay gap, along with other things. This section will attempt to evaluate these factors on the basis of the available research and data.

Four kinds of data are used here. First, general statistics from the Maternity/Paternity Leave Fund. This includes the number of applications from men and women, whether the leave is taken in a consecutive period or spread over time, the number of people taking more or less than their allotted time, the average number of days, the average amount of pay or grant, and the average age of applicants.

Secondly, answers from the Maternity/Paternity Leave Fund to several questions are used, but some of these questions resulted in further data processing by the Fund. Lárus Bollason then processed the answers.

Third, use is made of four surveys by a private company (Gallup 2000; Gallup 2003; Gallup 2003a; Bryndís Jónsdóttir, forthcoming). The first three are regular phone surveys conducted on a random sample drawn from the national registry. The survey that Capacent Gallup did for Bryndís Jónsdóttir (forthcoming), on the other hand, is telephone and net-based survey among those who had received payments from the Maternity/Paternity Leave Fund in the years 2001-2004. The reply rate was 54.4%.

Fourth, some smaller surveys are used, primarily of qualitative nature (Mackeviciute (ed.) 2005; Gyða Margrét Pétursdóttir 2004; Ingólfur V. Gíslason 2005; Laufey Þr Hákonardóttir & Ólóf Jónsdóttir 2004; Porgerður Einarsdóttir & Gyða Margrét Pétursdóttir 2004a & 2004b).

a. Time spent with parents

Significant results seem to have been obtained on the objective of the law, to ensure that the child gets to spend time with both parents. The change is probably more significant with regards to fathers than mothers, as the objective was clearly to influence primarily fathers’ possibilities.

A Nordic study surveyed the main items in laws and regulations on maternity/paternity leave, which must be in existence if fathers are to avail themselves of the possibility of leave. These are: 1. Independent right to leave, including the right to payments. 2. Non-transferable time tied
to the father. 3. Flexibility in the uptake of the leave. 4. Good possibilities for taking leave after the child has reached the age of six months. 5. High payments, while on leave (Carlsen 1998, 26). These rules were followed when the Icelandic law was set, and the result certainly seems to be quite good. Probably, there have never been more Icelandic fathers active in caring for their young children than are today. This can be seen simply from the numbers from Maternity/Paternity Leave Fund on the uptake of leave.

There are most likely some instances of abuse, that is that the leave is used for things other than time spent with child and family. There is no doubt, however, that most people use the leave for what it is intended. The survey done by Capacent Gallup for Bryndís Jónsdóttir (forthcoming) indicated that 4.6% of parents had done some paid assignments during maternity/paternity leave, and there was no difference between men and women in this regard.

It seems safe to expect that all mothers apply for some payments from the Maternity/Paternity Leave Fund, so that issue is not specifically addressed here. What is interesting, however, is on the one hand, the uptake of fathers and the interplay between uptake of fathers and mothers.

Table IV.1 shows some elements of uptake of maternity/paternity leave, as it appears in applications to and payments from the Maternity/-Paternity Leave Fund.

### Table IV.1
Some numbers on the uptake of maternity/paternity leave

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men's applications¹</td>
<td>82.4%</td>
<td>83.6%</td>
<td>86.6%</td>
<td>89.8%</td>
</tr>
<tr>
<td>Average number of days</td>
<td>39/68/97/96</td>
<td>39/68/97/96</td>
<td>39/68/97/96</td>
<td>39/68/97/96</td>
</tr>
<tr>
<td>for men²</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average number of days</td>
<td>186/187/183</td>
<td>186/187/183</td>
<td>186/187/183</td>
<td>186/187/183</td>
</tr>
<tr>
<td>for women³</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of men using more</td>
<td>484 or 14.5%</td>
<td>472 or 13.9%</td>
<td>584 or 16.1%</td>
<td>657 or 17.1%</td>
</tr>
<tr>
<td>than minimum right⁴</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of women using more</td>
<td>3,819 or 94.2%</td>
<td>3,798 or 93.4%</td>
<td>3,811 or 90.9%</td>
<td>3,883 or 90.5%</td>
</tr>
<tr>
<td>than minimum right⁵</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of men under minimum</td>
<td>5.1%342 or 10.1%516 or 14.2%</td>
<td>689 or 17.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>right¹⁶1 or</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of women under</td>
<td>36 or 0.9%</td>
<td>31 or 0.8%</td>
<td>42 or 1.0%</td>
<td>48 or 1.1%</td>
</tr>
<tr>
<td>minimum right</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹ That is, men's applications as a percentage of women's applications
² This refers only to those who receive payments while on leave, not grant recipients
³ This refers only to those who receive payments while on leave, not grant recipients
⁴ That is what proportion of men use more than their specific right, one month in 2001, two months in 2002 and three months in 2003
⁵ Three months
There are a lot of interesting things here. First, the high rate of uptake by fathers bears mentioning. The proportion of fathers utilizing their leave in whole or in part is very high already in the first year, or 82.4% and has kept growing up to a current rate of around 90%. In the same way, the average number of days fathers are taking is growing and it is clearly linked to the non-transferable right of fathers. When this is compared to the other Scandinavian countries, it becomes apparent that the proportion of fathers using their right to paternity leave is the highest in Iceland, as is the proportion of days taken (see for example Fríða Rós Valdimarsdóttir 2005, 26-29).

It must also be kept in mind that not all fathers have a real choice of using their right to paternity leave. If the parents are not cohabitating when the child is born, the father’s possibility of uptake depends on the mother’s attitude towards it. According to numbers from Statistics Iceland, the parents were not cohabiting in 15.8% of births in 2003 and 16.4% in 2004. Undoubtedly, some parents have begun cohabiting shortly thereafter but in some instances the mother will not want the father to take paternity leave. According to information from the Maternity/Paternity Leave Fund, the father took paternity leave in 12% of the cases where parents were not cohabiting. This is clearly somewhat linked to age, as is shown in table IV.2

Table IV.2
Number and proportion of men in 2004 that did not live with the mother but nonetheless took paternity leave.

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Number</th>
<th>Proportion</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-20 years</td>
<td>32</td>
<td>4%</td>
</tr>
<tr>
<td>21-30 years</td>
<td>288</td>
<td>35%</td>
</tr>
<tr>
<td>31-40 years</td>
<td>138</td>
<td>17%</td>
</tr>
<tr>
<td>40 years and older</td>
<td>38</td>
<td>5%</td>
</tr>
<tr>
<td>All ages</td>
<td>496</td>
<td>70%</td>
</tr>
</tbody>
</table>

It must be considered likely that the high percentage among those under twenty years of age reflects the fact that these are really couples that is the child’s parents intend to live together.

As opposed to the fathers, table IV.1 demonstrates that very limited changes have been to the mothers’ uptake of maternity leave in these four years. From the beginning, they take their three non-transferable months and the three joint months, or a little more than 180 days on average. This is perfectly comparable to what is known from other countries. The joint time becomes the mother’s time and it does not appear to matter how long this time is (Bekkengen 1996; Brandth & Kvande 1989, 2001, 2003; Leira 2000; Olsen 2000).

This is only an average number of days, and as can be seen in table IV.1 above, the proportion of men using more than their minimum right has grown during this time. It is currently around 17%. The changes are, however, far greater in the group using less than its minimum right. These changes are clearly influenced by the length of the non-transferable right, in that
when fathers had only one month a little more than 5% did not use it all, around 10% did not use the whole time when it was two months, and the number hit 14.2% when the right had been extended to three months. The percentage continues to grow throughout 2004, during which it reaches 17.1%. Analysis of numbers from the Maternity/Paternity Leave Fund gives no indication that this is a specific group of fathers. Residence does not appear to play a role, nor does age and the group’s average salary is in line with the average of the income of all fathers taking paternity leave. One must therefore conclude that this is the result of numerous individual reasons.

Far more can be said about the group of fathers using some of the shared time. First, one should mention that many reasons can be brought to fore to explain why there aren’t more men who take advantage of the shared time.

First, traditional views have an impact. Icelandic society is saturated with the idea that the caring for children is primarily the responsibility of mothers, while fathers are most useful in providing for their families financially. This can be seen, for example, by the fact that there are at least four public statues in Reykjavik celebrating the relationship between mother and child, but none that reflects the same kind of bond between father and child. It also remains so that some parishes of the state church open their doors, not for “parents’ mornings” but “mothers’ mornings”, although they are getting fewer as the years pass. Gallup surveys also have indicated that a significant proportion of the Icelandic nation believes that women are more capable of raising children than men. In a survey conducted by Gallup in 2003, 26.8% stated they thought the woman was more qualified. The group consisted of a larger number of men than women (Gallup 2003).

Second, there is the physical rehabilitation of the mother. Pregnancy and birth is a trial for every woman’s body and she needs time to recover. In a book most or all expectant parents receive during pregnancy it is stated that the mother can assume that her body will not be back to its previous shape until a full half year after the birth (Meðganga, fæðing, ungbarnið, 97).

Third, there is the breastfeeding. The World Health Organization recommends that babies are fed only on breast milk for first six months of their lives, and Icelandic women receive that message throughout pregnancy (Meðganga, fæðing, ungbarnið, pg. 90). It can certainly be arranged that the baby gets breastfed while the mother is working. The father can bring the baby to the mother’s place of work when it is time to feed it, or the mother’s work can allow for her to go home when needed. It is probably more convenient, however, that the mother remains at home while the baby is breast feeding, or at least while the breast milk is the only source of food for the baby.

Fourth, it still remains so that men’s salaries are generally higher than women’s, so the loss of income for the family is more when the father is on leave than when the mother takes it.

Fifth, one can mention placement in the labor market. Women are more likely than men to work in the public sector and job security is generally more there than in the private sector. Therefore, it may be easier for a woman in the public sector to request maternity leave than it is for a man in the private sector.

Sixth, and final, it can be considered that employers generally tend to think of men as irreplaceable in the workplace rather than women. This issue will be further addressed below (see further on those six issues in Ingólfur V. Gíslason 2005).

Analysis of numerical data from the Maternity/Paternity Leave Fund gives more detailed information on the identity of men who use some or all of the shared time.
It is clear that fathers who use the shared time to some or full extent have incomes considerably higher than the average. This is true for all parts of the country and all of the years the law has been in effect. Since couples cannot be compared, this conclusion must, however, be interpreted with some reservations.

It could be so that there are a number of distinct groups, but one possibility is that both parties of the couple have high salaries and work in jobs where they cannot be absent for a long period of time. This may result in them dividing the shared time between themselves, working part-time and taking leave part-time. Swedish studies have shown that fathers who take a relatively long leave have higher salaries than men on average, and have a high level of education. Well educated mothers with high salaries also have a positive impact on Swedish fathers’ uptake of paternity leave (Nyman & Petterson 2002; Sundström & Duvander 2002).

Ingólfur V. Gíslason (2005) interviewed nine fathers who had taken paternity leave beyond the three non-transferable months, as well as the spouses of four of these fathers. The main conclusions were that the woman’s status in the labor market was the primary factor contributing to their unusually long paternity leave. If the woman ran her own business or was highly placed in a firm or institution so that she considered it difficult or impossible to be absent from work for a number of months, negotiating opportunities emerged, which were otherwise absent. It is well known from other research that the mother’s strong connection to the labor market and high level of education is one of the main factors contributing to fathers’ role in caring for their children (Bekkengen 1996; Brandth & Kvande 2003; Þorgerður Einarsdóttir 1998).

Fathers, who use only their non-transferable right, have lower incomes than the average, as can be seen in table IV.4.
Table IV. 1 indicated that the average number of days taken by mothers is around six months’ worth of maternity leave. Not all mothers, however, take the full six months, and table IV.5 shows the income and residence of women taking less than six months.

Table IV. 5
Income of mothers who did not use six months of leave as a proportion of income of all mothers receiving payments from the Maternity/Paternity Leave Fund.
Overall, these women have lower income than women on average, although some variation can be observed by years and residence.

Numbers from the Maternity/Paternity Leave Fund indicate that the pay gap between mothers and fathers, as it appears in the Fund’s payments, grows smaller the further we get into the 18 months parents have to use their leave. This might be interpreted so that lower paid fathers use their leave later, resulting in this impact on the numbers. This may also indicate that the loss of income for low-income families is so significant that employment and employment opportunities for the father is a significant factor in his uptake of paternity leave. This factor also appeared in the survey conducted by Capacent Gallup for Bryndís Jónsdóttir (forthcoming), where 45.3% of fathers, who did not use all of their paternity leave, said it was because of the loss of income. It is not self-evident that these are low-income workers, but it does appear that they are at least in part. Swedish research have shown that, in Sweden, fathers who have loose ties to the labor market, are unemployed, recipients of social services or poorly paid, generally do not take paternity leave (Nyman & Pettersson, 2002).

Another interesting factor turns to the division of the leave, that is, whether parents take all of the leave at once or spread it out over time in some way. Table IV.6 demonstrates this development.

Table IV.6
Proportion of parents who split their maternity/paternity leave.

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men’s split leave</td>
<td>54.8%</td>
<td>78.8%</td>
<td>82.1%</td>
<td>85.0%</td>
</tr>
<tr>
<td>Women’s split leave</td>
<td>29.0%</td>
<td>36.2%</td>
<td>40.5%</td>
<td>46.1%</td>
</tr>
</tbody>
</table>

Most fathers, or 85%, spread their leave out to some extent in 2004. Actually, 55% of fathers spread the leave out already in the first year. Unfortunately, no data exists on how it is spread out. However, it is likely that often fathers stay at home with their families the first weeks after the birth, then go back to work and use the rest of the leave at some later point, either with the mother or after she has returned to the labor market. Such a division appears in a number of qualitative studies (Mackeviciute (ed.) 2005; Ingólfur V. Gíslason 2005) as well as in a Capacent Gallup (Bryndís Jónsdóttir, forthcoming) survey done among those who had taken advantage of the leave.

The result is similar for mothers, in that there are now more splitting their leave up in some way; the percentage has grown from 29% in the first year to 46.1% in 2004. Again, there is no data available on how they are splitting the leave up, but it does not seem unreasonable to assume that parents are mixing leave and paid labor in some way. They may, for example, be on 50% leave and working half-time.

It is possible that this factor is in some way related to economic status and/or the education of parents. It is not unlikely that it is among couples with university degrees where the leave is fully utilized and the father spends some time home alone with the child or children. The logic behind that idea is that it is more likely for university educated mothers to have jobs they wish to return to quickly, and further, that these jobs are of such a nature that the employer or manager wishes for the employee to return quickly because of her expert knowledge.

Numbers from the Maternity/Paternity Leave Fund indicate that individuals splitting their leave generally have a higher level of income than those who do not. This is true for both men and women, but the trend is stronger for women. Table IV.7 demonstrates this for the year 2004.
The qualitative study named above (Ingólfur V. Gíslason 2005) indicated that the mother’s status in the labor market was a key factor in explaining why the father takes (a part of) the shared portion of the leave.

However, a survey done by Capacent Gallup (Bryndís Jónsdóttir, forthcoming) shows a different picture. When asked how many weeks of the shared right to maternity/paternity leave respondents had used, 61% of fathers said they hadn’t used any, which means that 39% had used some of it. This is contradictory to general data from the Maternity/Paternity Leave Fund, which shows that only 15-17% of fathers had taken some of the shared time. But when the responses to the Capacent survey are analyzed further, it appears that around 70% of university educated fathers used none of the shared time, but only 54% of those who had completed only elementary school or less.

It also gives a certain idea about that status of fathers and mothers, how the data from the Maternity/Paternity Leave Fund changes from the initial numbers to the final numbers. The final numbers for a given year are not available until 18 months after it ends, since this is the time period parents have to fully utilize their right to maternity/paternity leave. Up until that time, however, it is possible to get preliminary data, and they are widely available. An example can be taken from data which appear in articles and reports, relying on preliminary numbers. Table IV.8 demonstrates the changes for the year 2003. The first numbers appear in the final report of the EU-financed project Culture, Custom and Caring (Þorgerður Einarsson in collaboration with Gyða Margrét Pétursdóttir 2004), which relied on preliminary numbers for January-October of that year, then as they appeared in an article in the book Vems vallfríhet? (Ingólfur V. Gíslason 2004), and then the final numbers for the year.

Table IV. 7
Income of men and women who split their leave in 2004 as a proportion of the income of all men and women taking maternity/paternity leave.
In comparing these numbers, we can see four things happening. More fathers are taking some leave, the average number of days fathers take increases, fewer fathers are below the minimum right and more are splitting the leave. The mothers, however, undergo minimal changes, except in terms of splitting the leave. This clearly indicates that the uptake of leave is far more flexible for fathers than mothers; for the mothers it is clear from the beginning how they will use their leave and limited changes occur. Many fathers are, on the other hand, sort of a back up and their uptake of the leave depends on more factors than it does for the mothers. Gyða Margrét Pétursdóttir (2004, 87-90) uses the terms “rescue squad” and “SWAT team” to describe the uptake of paternity leave, participation in chores around the house and caring for children for fathers she interviewed. Similar views appear here as did in a different qualitative study done ten years earlier (Ingólfur V. Gíslason 1997, pg. 26-27) that is that so long as everything is going smoothly in the home and with the family, the father’s contribution elsewhere is more valuable. They will, however, jump in if something goes wrong (pg. 88). It must, nonetheless, be emphasized that this flexibility does not apply to all fathers, but there is a clear difference between mothers and fathers in this regard.

Finally, it must be stated that very little is known about how the parental leave is used, as there is no formal registration of its uptake. In the Capacent Gallup (Bryndís Jónsdóttir, forthcoming) survey, only about one third (34.7%) of respondents knew about their right to parental leave. One quarter of these (25.5% or 181 individuals) had availed themselves of the leave. It seems clear that these rights need to be introduced to parents.

### b. Coordination of work and family life
Limited information is available to evaluate the laws’ contribution to enable women and men to participate fully in work and family responsibilities. It can be assumed that the status of women and men in the labor market has been leveled somewhat due to the law. Two clues contribute to such an interpretation.

The first is the well known story about the financial difficulties of the Reykjavik Area Fire Department in 2001. According to reports in Morgunblaðið, the Fire Department’s management had to apply for additional funding in July of 2001, since so many firefighters were scheduled for paternity leave that the others would have to work extra shifts. Significant media discussion followed in the wake of these reports, stating that this was a new issue for a predominantly male workplace and this had not been foreseen.

<table>
<thead>
<tr>
<th>Culture, Custom and Caring</th>
<th>Vems valfrihet?</th>
<th>Final numbers for 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men’s applications</td>
<td>76.0%</td>
<td>86.6%</td>
</tr>
<tr>
<td>Average number of days for men</td>
<td>83</td>
<td>87</td>
</tr>
<tr>
<td>Average number of days for women</td>
<td>182</td>
<td>182</td>
</tr>
<tr>
<td>Number of men over minimum right</td>
<td>13.3%</td>
<td>347 or 13.3%</td>
</tr>
<tr>
<td>Number of women over minimum right</td>
<td>90.9%</td>
<td>3.128 or 90.9%</td>
</tr>
<tr>
<td>Number of men under minimum right</td>
<td>32.4%</td>
<td>954 or 28.2%</td>
</tr>
<tr>
<td>Number of women under minimum right</td>
<td>0.9%</td>
<td>41 or 1.0%</td>
</tr>
<tr>
<td>Split leave for men</td>
<td>71.6%</td>
<td>75.5%</td>
</tr>
<tr>
<td>Split leave for women</td>
<td>40%</td>
<td>40.1%</td>
</tr>
</tbody>
</table>
in the financial plans for the year (see Morgunblaðið, July 12, 14, and 15, 2001). Predominantly female workplaces have of course always had to plan for maternity leave, and now male dominated workplaces must consider childbirth in their planning as well.

The other issue is somewhat more disturbing, but according to the annual report from the VR – trade union for 2003-2004 (Ársskýrsla VR 2003–2004 pg. 10), there has been a considerable increase in instances of parents being (illegally) terminated while on maternity/paternity leave. The media coverage revealed that while it was still more common that women were terminated during maternity leave, there was a marked increase in the number of fathers who reported termination during paternity leave. This also seemed to be confirmed in the Capacent Gallup survey (Bryndís Jónsdóttir, forthcoming). A great majority of the respondents had returned to the same job they had prior to their maternity/paternity leave. Of those who did not, 10% (51 individuals) had been terminated. Of the women who did not return to the same job as they had before, 9% were terminated, but 14% of the men. The conclusion one can draw from this seems to be that an injustice that previously was directed only towards women, is now more equally distributed between men and women.

Societal attitudes towards the laws can have some impact on uptake of leave and whether the laws have their intended consequences. This applies to both public attitudes and the attitudes of directors and managers in firms and institutions. A Gallup survey conducted in March of 2003 revealed that 85% of Icelanders have a positive attitude towards men using their 3-6 months right to paternity leave. The proportion of positive respondents was considerably less among employers, or 73.7% (Gallup 2003). In a different Gallup survey, 63% of employers said it was very or rather difficult for men in their businesses to take maternity leave up to six months, but 27% thought it was difficult for women in the workplace to take maternity leave of the same length (Gallup 2003a). It is therefore likely that it is easier for mothers than fathers to take an extended maternity/paternity leave.

Also, it is one of the conclusions of a qualitative study conducted by Gyða Margrét Pétursdóttir (2004) that the supervisors of many (but not all) of the fathers interviewed are opposed to the laws on maternity/paternity and parental leave (that is, the fathers share of it), while they also communicate a certain regret that they did not have the same opportunities to spend time with their own children. Pétursdóttir’s estimate is that the supervisors she interviewed believe that the biological qualities which make women capable of carrying children make them less valuable in the workplace (pg. 67 and 70-77).

One study has focused specifically on managers and their attitudes towards paternity leave (Laufey Ýr Hákonardóttir & Ólöf Jónsdóttir 2004). 330 managers in 35 firms received a questionnaire and the response rate was 62.4%. The results indicate, among other things, that managers were generally on the border of positive and neutral attitudes towards the paternity leave. Managers aged 30-39 have the most positive attitudes towards paternity leave, while those 50 years or older are the most negative. Managers, who have children three years old or younger, are more positive towards paternity leave than those who have older children, and those who have experienced paternity leave are more positive towards it than others. There was no notable difference in the attitudes of managers depending on where in the hierarchy they are placed.

The Capacent Gallup survey from 2006 (Bryndís Jónsdóttir, forthcoming) suggests that employers in general are not negative towards their employees taking maternity/paternity leave. 80.8% of respondents state their employer’s attitude was very positive (58.2%) or rather positive (22.6%). 7.7% have felt some negative or very negative (1.7%) attitudes. There is noticeable difference between women and men here, in that 86.4% of women felt a very or rather positive attitude towards their maternity leave, whereas 73.1% of men felt a positive attitude towards their paternity leave. Similarly, 10.9% of men had felt very or rather negative
attitudes, but 4.8% of women. It is therefore very clear, that men meet more negative attitudes from their employers than do women. The negativity appears to be particularly noticeable among tradesmen and specialized laborers and machinists. The negativity is also greater in private firms than in public institutions and where the supervisor is male rather than female. The same pattern shows up when it comes to co-workers’ attitudes towards maternity/paternity leave. Only 1.4% of women felt a very or negative attitude from co-workers, whereas 3.2% of men did.

It seems possible to draw the conclusion from these surveys that taking maternity/paternity leave is an accepted fact in Icelandic society, even though it is more acceptable for women than men to take it. Few men, however, experience resistance or negativity when it comes to taking paternity leave, whether it is from co-workers, the immediate environment or employers. But, at the same time, it seems to be more difficult for men to use some of the shared time, that the positive attitude is limited to their non-transferable right and if it were shorter or longer, the attitudes would vary correspondingly.

The Capacent Gallup survey (Bryndís Jónsdóttir, forthcoming) also asked whether the respondents felt that their job security was threatened by their taking maternity/paternity leave. 87.5% felt it was minimally threatened or not at all, but considerably more women than men felt that it was threatened. 15% of women felt it was somewhat or severely threatened, but 10% of men said the same. Here it seems significant, on the one hand, that men’s use of paternity leave is clearly more flexible than women’s, and that women take a much longer leave than men do. Mostly, it was project managers, division heads and middle managers who felt their job security was threatened.

Finally, it bears mentioning that according to the oft-mentioned Capacent Gallup survey (Bryndís Jónsdóttir, forthcoming), 14.1% of parents’ employers have paid the difference between their salary and the payments received from the Maternity/Paternity Leave Fund. What distorts this picture is the fact that women in the public sector get the difference paid from the Family and support fund for public servants. But if we look only to parents working in the private sector, 13% have received this kind of compensation from their employers. At least one union, the Confederation of Icelandic Bank and Finance Employees, has negotiated these payments from their employers, but clearly a considerable group of people are getting such payments without having negotiated them. Women receive such payments more than men do (16% and 11%), but it is likely that the payments to women in the public sector distorts that picture. Such compensation is also more common for those living in Reykjavik than elsewhere (17%, 14% in the neighboring municipalities and 11% in other municipalities), and is more common for those with university degrees than others.

It should not come as a big surprise that the attitudes of employers and managers towards fathers’ paternity leave are a bit more negative than that of others. They are, of course, the people who need to keep the business going, and the departure of an employee, be it for maternity/paternity leave or other reasons, is a disruption. Actually, it is rather a surprise that the attitudes are not more negative than they appear to be. Most likely it comes from the distribution of the leave, that is the fact that three months of the leave are non-transferable from the man. If parents were “free” to choose, one could expect that employers and managers would insist more often that the mother would use the leave.

Some foreign studies indicate that men who take advantage of their opportunities for paternity leave are penalized more than women when it comes to salary advancement. This is believed to be attributable to a so-called “signaling effect,” that is, that men who take paternity leave indicate that they are not as loyal to the firm as are men who do not use paternity leave. Furthermore, this demonstrates that the men are believed to have more of a choice than women do, so they are demonstrating a lack of loyalty by taking paternity leave (Stafford & Sundström 1996; Edin, Sundström & Vroman 1998; Albrecht et al. 1999). These results furthermore
indicate what was expected of men. One can claim that the discrimination is not based on the fact that men necessarily spend more time than women at work, but rather it is assumed that men can prioritize their work more than women, when the need arises. One can here refer to the surveys mentioned above, which indicate that employers rather believe that it is more difficult for men than women to take an extended maternity/paternity leave.

As has been mentioned previously, Icelandic couples’ adjustment to childbirth has often entailed the fathers increasing their paid labor while the mothers decrease theirs. No direct measurements are available to illustrate whether this has changed, but Guðný Björk Eydal has repeated a previously mentioned study conducted among the parents of children born in 1997 (Guðný Björk Eydal 2004) and now among parents having their first child in 2003. It is expected that the results will be available in the second half of 2007, and that a book on the final conclusions will be published in 2008.

It also bears mentioning that Gyða Margrét Pétursdóttir (2004) found, in her study, that all six mothers interviewed had in some way altered their work hours after childbirth, and always in the way that they cut down (pg. 52). In the same way, all but one father had increased their paid labor in the wake of childbirth (pg. 54). This, therefore, continues a 20th century pattern as regards the impact of births on parents’ labor market participation. Helga Gottfreðsdóttir’s (2005) study indicates that many expectant fathers in Iceland had increased their paid labor in order to better provide for their family.

But while this in some ways continues a previous pattern, it is clear that changes are under way. Primarily, it is of course a change for the fathers to leave the labor market and take paternity leave. Secondly, this clearly entails changes in attitudes and behavior, to some extent. This shows up, for example, in the interesting conclusions of Helga Gottfreðsdóttir’s (2005, 132) study among expectant fathers: ”The discussion among young men today is in a way similar to that of women, namely, that now they, as well as their partner, have to be competent to meet varied demands in many areas of responsibility”.

Changes take time and the parents who are now making decisions about the division of maternity/paternity leave and other labor are of course shaped by their society, which is very traditional in its attitudes towards these things. It was also one of the conclusions of the EU-project Culture, Custom and Caring (Þorgerður Einarsdóttir in collaboration with Gyða Margrét Pétursdóttir 2004) that the Icelandic parents interviewed are in many ways very traditional in the way they divide their labor. The women are (or will be) primarily mothers, so that role takes priority over their status in the labor market. The men are in the role of a provider, so the role of a father becomes secondary, although all of the fathers tend to that role as well.

The results of other qualitative studies give a somewhat mixed image. The men tend not to experience it as a “threat” to their masculinity to actively care for a baby or run the home. Most of the fathers interviewed describe their experiences as positive and state that on the whole, they have received positive feedback on their uptake of paternity leave from the environment. Their views can be described in the words of one participant in the project Modern Men in Enlarged Europe:

“It really did not influence me or my decision that caring for children or child rearing has traditionally been the domain of women. Not that it hindered me in any way from taking the leave, not at all. You just lose out on so much in life if you hang on to old prejudices and ideas. And I also felt everybody reacted positively to it. It was not a problem in regard to my colleagues or supervisors and I really did not feel frowned up on. Why should I be? Is there something unnatural about a father caring for his child?” (Aleksejunaitė & Mackeviciute (eds.) 2005. Also Mackeviciute (ed.) 2005, 23-26).

In the instances where parents share the leave in such a way that the father uses more than his non-transferable three months, reactions to-
wards the women have often been more mixed than towards the men, and the women have heard criticisms to the effect that a good mother would not do this, that is not use (at least) all the time the maternity/paternity leave act gives her an opportunity to use. Here one might say that the “discipline” is greater when it comes to the mothers than the fathers, as regards changing roles – the fathers get praised but the mothers are scorned and talked about behind their backs. Similar conclusions, that women who “allow” the father to use a part of the leave are criticized, are found in a recent Danish study (Olsen 2000). This says a lot about how society’s culture objects to the change in roles in this area and underscores the societal image of women as primarily mothers. One example will be provided, from a mother who was asked about people’s reactions to her and her husband’s division of the maternity/paternity leave (Ingólfur V. Gíslason 2005, 297):

Well, primarily, they were surprised. A lot of people asked, “Well, wait, how are you going to split it?” and, yes, there were a lot of comments on how short a time I was spending at home. I almost always got the criticism about it, what kind of a mother I was, really, and well... but on the other hand he got a lot of praise for being a great man and of course that was a bit difficult for me. It had gotten quite severe, really.

Yet the fact that such a split can take place does, however, indicate that some significant changes are taking place. Furthermore, one seems to be able to see a general trend in society towards an accepted, or more visible, role for men as fathers. There are significantly fewer “mothers’ mornings” among church parishes, having been replaced by “parents’ mornings”. And a report from Stykkishólmur (a small town in Iceland) in the newspaper Morgunblaðið on February 10, 2004 stated that: “It is now common to see the father pushing the stroller along the town’s walking paths, even in the middle of the day on a weekday. Something that wasn’t seen a few years ago, but times change and so do the dads.”

There are numerous instances to indicate that overall society is developing so that men’s and women’s status in the labor market and within the home is becoming more equal. It was certainly a development that had started long before the arrival of the legislation, but it is likely that the law pushed the development along even further. Other issues obviously having an impact are the revolution in women’s education and the socialization of child rearing (increased possibilities for public day care and a full day’s program in elementary schools, to name a few).

Some examples of this leveling can be seen in a salary survey done by Capacent Gallup in 2006, which was a repeat of a survey done in 1994 and published a year later under the name Launamyndun og kynbundinn launamunur (Guðbjörg Andrea Jónsdóttir 1995). In an overview of the latter survey’s main conclusions, it states, among other things that: “Family and marital circumstances had significant impact on the people’s interest in management positions or promotions in the 1994 survey, in such a way that childbirth would decrease women’s interest in them but increase men’s interest. This has changed completely, and marital status and childbirth no longer influences people’s interest in promotions and there is no difference between men’s and women’s interest, when marital status and childbirth has been factored in” (Capacent Gallup 2006, 10).

Another issue, which could be referred to in support of that claim that the responsibilities of women and men in parenting are leveling out is the great increase in joint custody arrangements after the option was presented in Icelandic law in 1992. In the first years about 20% of parents took advantage of this option after divorce but by 2005 the proportion had risen to 72.8%. The development of those terminating cohabitation was quite similar, where 74% took advantage of the joint custody arrangements in 2005 (www.hagstofa.is). This clearly suggests that the cooperation between parents in regards to their offspring has increased during these years (see also Sigrún Júlísdóttir & Nanna K. Sigurðardóttir 2000). In 2006 the change was done to the
legislation on children that custody is automatically joint, regardless of the parents' terminating their marriage or cohabitation, unless otherwise decided (Lög um breytingu á nokkrum lögum á sviði sifjaréttar). The legislature therefore took a certain step to push this development in parental cooperation even further.

c. The gender pay gap

No direct research has been done into the possible impact of the law on the gender pay gap. Payments from the Maternity/Paternity Leave Fund indicate some changes in the difference in salary among those applying for payments, as indicated in table IV.9.

Table IV.9
The gender pay gap as it appears in the Maternity/Paternity Leave Fund’s payments.

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mothers' and fathers’ pay gap⁶</td>
<td>58.2%</td>
<td>60.4%</td>
<td>62.5%</td>
<td>64.0%</td>
</tr>
</tbody>
</table>

In these four years, the difference has shrunk by almost 6%, which of course does not indicate to what extent the laws have contributed to that. It must be kept in mind that the reasons for the gender pay gap are varied and it is problematic to insulate any one factor. But this is somewhat of a different development than various surveys have shown recently, suggesting little or no changes (Capacent Gallup 2006; Launakönnun árins 2006). This of course indicates total salaries, without considering any possible explanatory variables, such as work hours or education. If we look at tax payments, a very similar change is seen, because according to those number the difference between men’s and women’s labor income decreases by 5.8% from 2000 to 2005, and actually a bit more if we only consider the age groups when people mainly have children. Looking at the age group 31-35, the gender pay gap is reduced by 7.2%, for 26-30 year olds it goes down by 6.6% but only 4.7% among 21-25 year olds (based on information from Statistics Iceland).

In 1999, women’s labor income was 54.2% of men’s income from paid labor but in 2005 that percentage was up to 61.1%, so the gap has been closing considerably. On the other hand, there has been very little change over the last three years. Women’s percentage of men’s pay has gone from 60.9% in 2003 to 61.1% in 2005. The picture of stagnation appears again, and in fact a slight reduction appeared between 2003 and 2004.

Slowly but surely more couples are appearing where the woman earns more than the man. In 1999, this was true of 16% of families but in 2005 it applied to 20.1%. It is also interesting that while there has been a steady closing of the gender pay gap among married men and women (and here we refer to both those formally married and couples who cohabit), the gap between unmarried men and women has actually grown in these two years. Overall, the gap between both groups has been getting smaller over these six years. Among married couples, women had 45.3% of men’s employment income in 1999, but by 2005 this percentage had gone up to 52.9%. Among unmarried people, women’s employment income was 73.5% of men’s in 1999, but 78.3% in 2005. The gap is therefore closing faster among married people than among the unmarried, and the gap has increased among unmarried people in the last two years, since in 2003, the unmarried women’s percentage of unmarried men’s employment income had reached 80.8%, it was 79.2% in 2004 and then 78.3%. It could therefore be hypothesized that family responsibilities are no longer having such a different effect on men’s and women’s employment income, as was suggested in the previously mentioned Capacent Gallup salary survey (2006). This is, however, based on a weak foundation.

⁶ Women’s salaries as a percentage of men’s salaries
and this possible contributing factor of the legislation calls for a specific investigation.

d. Fertility

The legislation appears to have contributed to added fertility among Icelandic women. Although that issue was not raised during discussions of the proposed law in 2000, it was brought up when the amendment was proposed in 2004, so it is clear that members of parliament felt the laws had contributed to the added fertility (Alþingistóðindi 2004, www.althingi.is).

Fertility in 20th century Iceland has fluctuated quite a bit. It reached its peak in 1960, when each woman had an average of 4.27 children during her lifetime. The last decades have also seen some fluctuation, as is evidenced in table IV.10.

Table IV. 10

![Fertility Chart](image)

Women’s fertility decreases rapidly in the first years of the 1980s, reaching a new low in 1985 and 1986, when women’s fertility is only 1.93 children. It increases considerably until 1990 when it starts to drop again, reaching the same low in 2002, that is, 1.93 children per woman. Since then, fertility has been increasing and it reached 2.05 children in 2005. This means that Iceland is, along with Turkey, the only country in Europe where natural population growth is sufficient to sustain the population (Key figures on Europe 2006, 43).

The reasons for decreased fertility in industrialized societies are numerous. It has been pointed out that with the emergence of the welfare society, the significance of having children to provide for the parents in their old age is considerably less than it used to be. The reduction in child mortality also reduces the need to have many children. Last, but not least, the advancement in birth control and increased tolerance for abortions has provided people, mostly women, with far more options when it comes to childbirth. Most of these factors have, however, been around for a long time and cannot explain the developments in recent decades. Three closely interlinked explanations will be presented here:

1. The revolution in the education and labor market participation of women has positively impacted their self-perception and ideas about the future, making these far more tied to the
labor market than they used to be. This means that the countries which have the poorest support system for families with children cannot expect considerable fertility rates. This idea ties in well with the status in Europe, where fertility rates are considerably lower in countries where the welfare system is weak and more traditional ideas on the status and role of women and men are dominant (Esping-Andersen 2002, Uunk et al. 2005). On the other hand, fertility rates are rather high in the Nordic countries, and women's labor market participation is higher there than it is elsewhere in Europe.

When Europeans are asked about how many children they want to have, it seems Europe would not be facing the current population decline if their wishes came true (Esping-Andersen 2002; Duvander, Ann-Zofie, Ferrarini, Tommy & Sara Thalberg, 1995). But since Europe as a whole is far from the fertility rates its inhabitants seem to desire, we are not only facing a fertility problem but also what may be termed a welfare problem, since society does not enable people to fulfill their wishes.

It can therefore be said that in societies, where women are forced to choose between childbirth and labor market participation, more and more are choosing the labor market. The better options women have to pursue both, the more will choose to do both.

2. The financial security of the family has a considerable impact on decisions about childbirth and it is important that the arrival of a child does not entail considerable financial damages for the family. To prevent that, we need a system which both, guarantees parents benefits linked to salary during maternity/paternity leave and protects them from termination so that mothers and fathers do not need to fear the loss of a job because of pregnancy or birth. Longitudinal studies establish a clear link between maternity/paternity leave and fertility, especially when the leave entails benefits based on salary (Ferrarini 2003; Rönsen 1999; Winegarden & Bracy 1995).

3. Recent research indicates that for couples who split work inside and outside the home fairly evenly, especially if this involves the caring for a child, it is more likely that more children are born into the relationship (Buber 2002; Duvander & Andersson 2004; Oláh 2001, 2003). It is not certain, however, that the division of labor is really even, but rather that the mother is satisfied with the father's participation in the caring work (Buber 2002). A study in Sweden and Hungary indicated that the likelihood of a second child is considerably higher in relationships which are free from the constraints of traditional ideas of the division of labor among women and men. The same study indicates that the chances of divorce are about 30% less for Swedish couples where the father has taken paternity leave than with couples where the father does not take the leave. This is particularly true when the mother has higher education (Oláh 2001).

To summarize, this suggests that an effective welfare system and support for families, gender equality and fathers' participation in the raising and caring for children, family life and chores around the house are key factors if governments wish to increase fertility.

The upwards trend in Icelandic women's fertility in 1987 may therefore be attributed to the changes which occurred in the laws on maternity/paternity leave at the time, extending the leave, among other things, from three months to six. In a similar manner, the increase which has occurred since 2002 results from the greatly improved status of parents after the changes in the parental leave act of 2000, and possibly primarily from the link between salary and benefits. It seems unlikely that the added participation of fathers is already having an impact in this area.

It seems likely that the upwards trend in 2000 can be explained by the fact that some couples wanted to have a child in the millennium year, just as it appears that many couples wanted to be married in that particular year. There were 1560 weddings in Iceland in 1999, 1777 in 2000, and a much lower 1484 in 2001. It is not unlikely, either, that many couples limited the number of children until the new law was in full effect, explaining the drop in fertility in 2001 and 2002.
The Nordic countries are in lead positions in the world when it comes to women’s labor market participation, gender equality and competitiveness. It is not difficult to argue that these factors are closely linked and that the main cause is the strong welfare system and the societal emphasis on women’s and men’s equal possibilities in all areas of life. More and more women in Europe are university educated and desire a career in the workplace. If society is structured so that a career and childbirth do not go together, it is clear that one will be pushed aside, creating an opposition between the objective of women’s labor market participation and childbirth. It is also clear that people who experience discrimination are not as productive as are people who feel that they are valued for everything they have to contribute. Gender discrimination therefore limits people’s hardihood, prevents the utilization of human resources and reduces competitiveness.

The step taken by the Icelandic Althing in 2000, by adopting the Act on Maternity/Paternity and Parental Leave entailed a radical attempt to change the possibilities of women and men in life. The Act aims to do both, level the status of women and men in the labor market and within the family, aside from attempting to make it easier to have children. It is less than four years since the law became fully effective, and it may be unlikely that great or measurable impact on the status of women and men in Icelandic society can be determined, aside from the fact that the laws are an addition to societal changes which have been in process for a long time, making the lifestyle of men and women more similar over time. A few things may nonetheless be mentioned about the laws’ effect:

1. The changes were very well received in society and fathers have made use of their opportunities to a much greater extent than was expected. Fathers’ participation in caring for their young children is certainly much more common than it was before.

2. Attitudes towards the status and opportunities of men and women as regards home and family life have undoubtedly changed. It is, nonetheless, clear that society’s ideas about the role of women as mothers and the role of men as providers are strong in Icelandic society and are a certain hindrance to changes. Overall, the developments, however, seem to be towards the acknowledgment that fathers can be just as good parents as mothers, and that mothers can share the maternity/paternity leave with fathers without being bad mothers.

3. Clues exist which suggest that the law has had a leveling impact on the status of men and women in the labor market. These clues are, however, neither clear nor decisive. It might appear that the effects are to some extent limited to class and more significant among those holding university degrees and belonging to the upper classes. A part of the explanation for the un-
clear effects on women’s and men’s status in the labor market is probably the gap between the end of maternity/paternity leave and the time when a child gets into day care. Far more mothers than fathers adjust their labor market participation to this issue, so childbirth has in that regard a more significant impact on women than men. It is unlikely that this will change until this gap has been bridged in some way, and probably not unless this is done by extending the maternity/paternity leave.

4. The laws have had a positive impact on Icelandic women’s fertility. It is most likely the extension of the leave and the linking of benefits to salary which has caused this. In the long run, there is reason to believe that the increased participation of fathers in family life will strengthen this impact. On the other hand, the gap mentioned above between the leave and childcare may have a reverse impact, as may some of the amendments made to the law in 2004, which have a negative impact on the possibility of spacing children tightly.

Generally speaking the laws on maternity/paternity leave have had a positive impact on Icelandic society and have contributed to increasing and leveling the possibilities of men and women.
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