

Family Policy in the Swedish Welfare Society: Focus on Childcare and fertility

Ann-Zofie Duvander

Swedish National Social Insurance Agency

Ann-zofie.duvander@forsakringskassan.se

Why Sweden has high fertility and high female labour force participation

- Individual taxation
- Parental leave insurance
- Affordable, available childcare of good quality

Economic reasons for mothers to work

- Individual taxation and progressive tax rate
- High separation rate
- Pension system

Swedish Parental Leave Insurance

- 13 months leave
- 80 % of earlier earnings
- Additional 3 months with low flat rate
- 2 daddy and mummy months
- Over 80% of fathers use leave
- Less than 10% of parents share equally

How is the parental leave insurance and fertility related?

In couples where the father uses parental leave the propensity to continue child bearing is higher.

Evidence from Norway and Sweden

(Duvander, Lappegard, Andersson, 2007)

Swedish Parental Leave Insurance, cont.

- Flexible system where extension of leave possible
- Children start childcare when they are on average 18 months old
- If no work before parental leave, parents receive a low flat rate

Percent of all mothers receiving parental leave at the low flat rate (not earnings-related)

Mother's country of birth	Percent
Sweden	3,6
Nordic countries	6,2
EU 15	17,9
Europe outside EU 15	45,7
Africa	62,8
Asia	55,2
North America	33,8
South America	28,2
Oceania	18,4

Swedish Childcare

88% of all children aged 1-5 participate in publicly financed childcare

Important characteristics of childcare:

- Availability
- Price
- Quality

How is childcare and fertility related?

When considering local variations in availability, price and quality for the propensity to continue child bearing among parents:

- Propensity of a second child affected only marginally
- Low price increased propensity of a third child
- Low availability increased propensity of a third child

Conclusion: Timing but not number of children affected

(Andersson, Duvander, Hank, 2004)

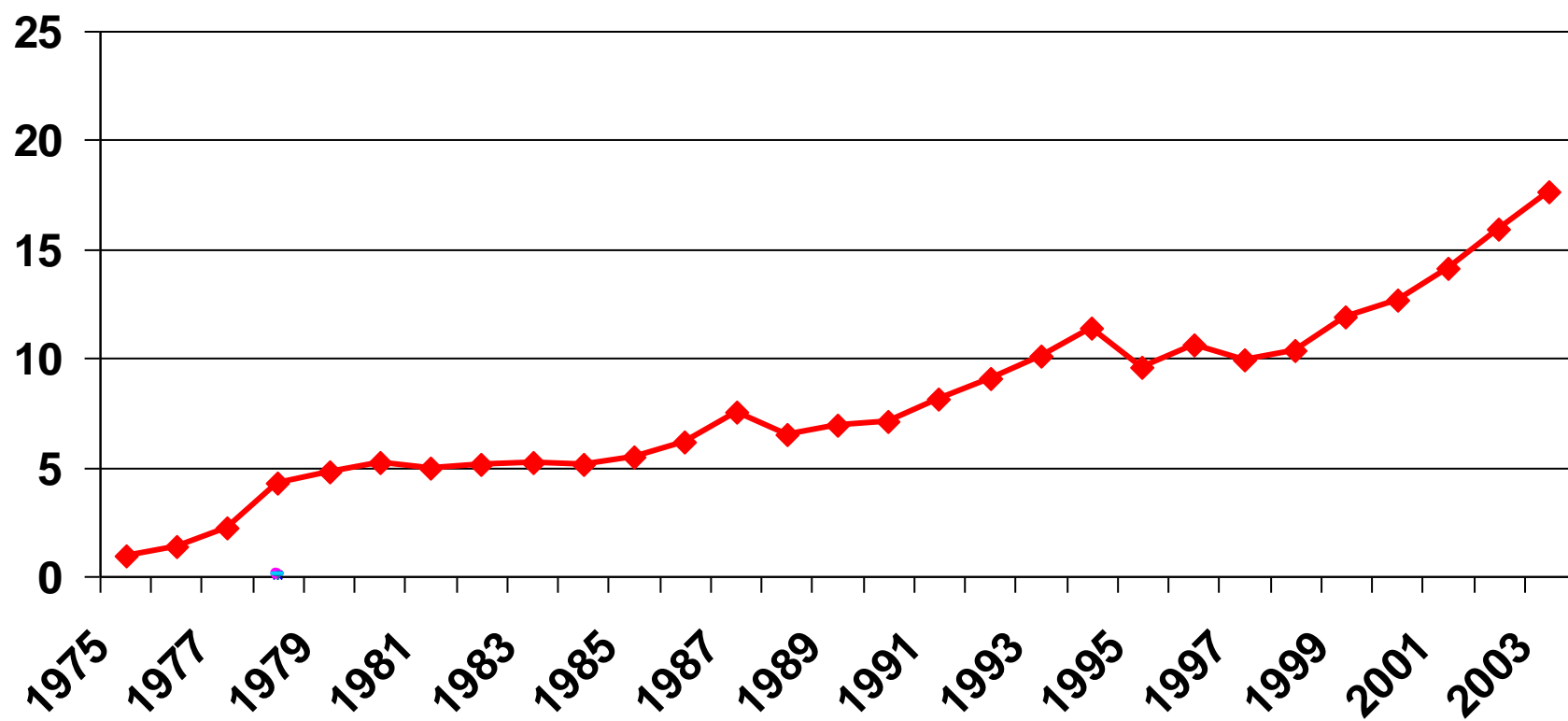
Changes in Swedish family policy 2008

- Gender equality bonus
- Childcare allowance

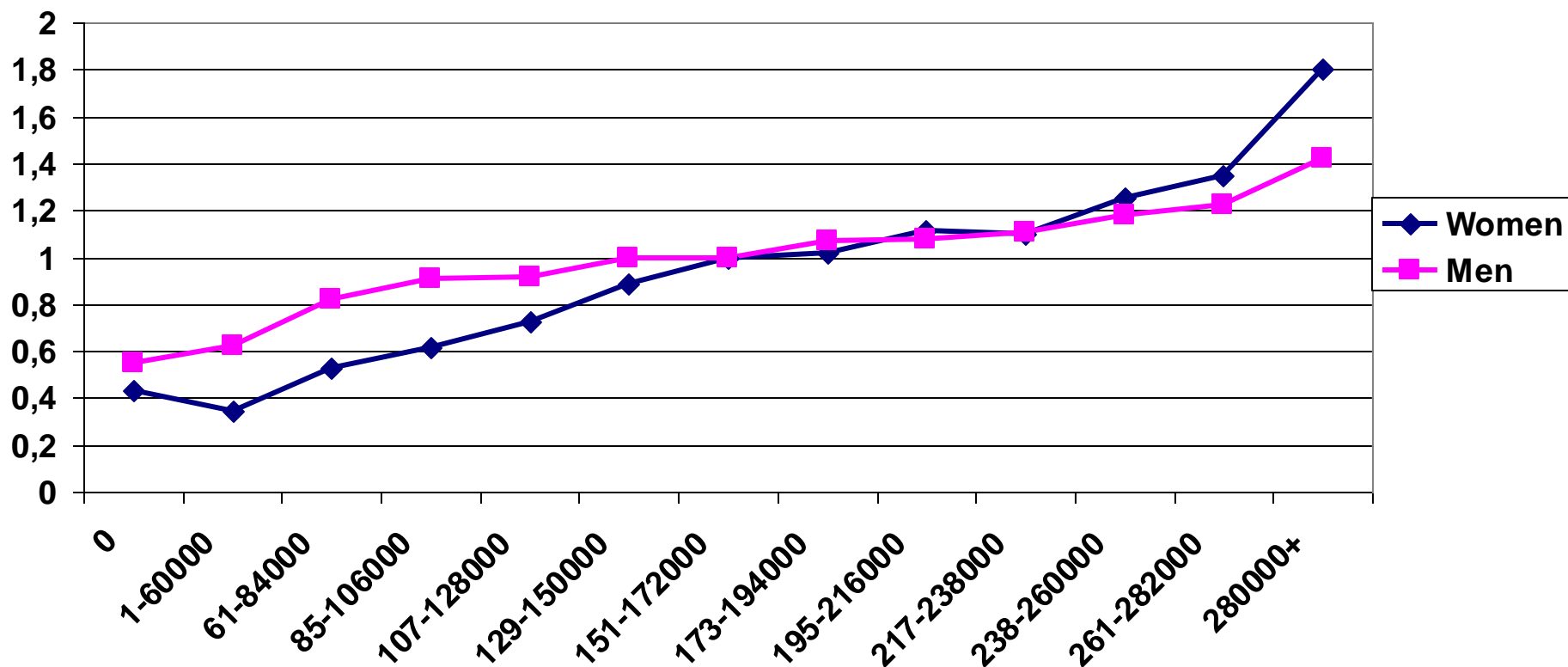
Conclusions

- Relationship fertility and family policy needs to be contextualized
- Gender equality includes both women and men
- Sweden *may* be more diverse in the future

Fathers' share of parental leave days, %



Influence of earned income on the propensity to become first-time parent



Effect of father's parental leave use on the propensity of a second child

