

# EUROPEAN POLICYBRIEF



## POLICIES FOR FAMILIES: IS THERE A BEST PRACTICE?<sup>1</sup>

This policy brief highlights recent research findings of the project "FamiliesAndSocieties" on the current trends in social policies related to families in Europe. It focuses on crucial policy issues related to youth, gender equality and childcare arrangements. The brief also presents suggestions for policy interventions linked to the findings.

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<sup>&</sup>lt;sup>1</sup> This policy brief is co-authored by Gerda Neyer, Olivier Thévenon and Chiara Monfardini. It is part of the tasks of the Work Package 12 of the project FamiliesAndSocieties, in charge of dissemination activities, led by the Max Planck Society for the Advancement of Science/Population Europe.

#### **INTRODUCTION**

Family patterns have changed substantially over the past fifty years as a result of new partnership and childbearing trends. The decade of 1960 marked the end of the so-called "Golden Age of the Family", when high marriage and birth rates at relatively young ages, and low prevalence of divorce and of non-traditional family forms prevailed. Currently, a wide variety of family forms and relationships co-exist. In nearly all European countries, fertility rates declined well below the level necessary for population replacement (2.1 children per woman on average) (Figure 1); marriage and parenthood have been delayed to more mature ages (Figure 2), or not entered at all; and couple relationships – both marital and non-marital ones - have become more fragile even among couples with children (Oláh, 2015).

This pronounced family diversity calls for a modernization of family-support policies. They should take into account the new forms of doing family as well as the needs of "non-standard" families. Modernization is nevertheless a multifaceted concept since family policies involve a broad spectrum of state interventions related to many aspects of the lives of women, men, couples, parents, and children (Thévenon and Neyer, 2014). This includes reconciling work and family responsibilities, mobilizing female labour supply and promoting gender equality as well as ensuring the financial sustainability of social protection systems, combating child and family poverty, promoting child development and generally enhancing child well-being throughout the early life course (OECD, 2011).

Figure 1: Period total fertility rates for different country clusters, 1960-2012

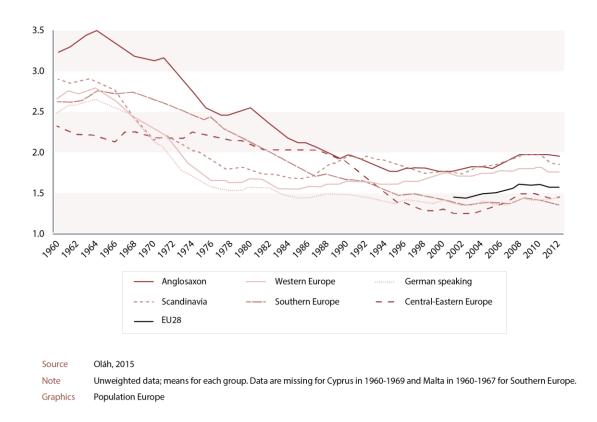
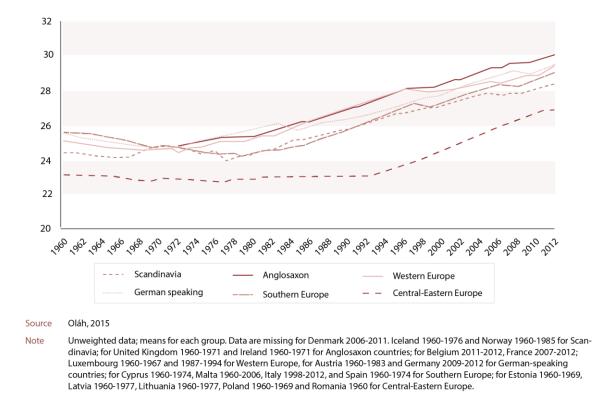


Figure 2: Mean age at first birth for women for different country clusters, 1960-2012



**Graphics** Population Europe

Current policies differ not only in the design of specific instruments to meet various needs, but there is also a considerable diversity in the extent of and the pace at which countries respond to new family patterns. Based on this diversity three main clusters can be distinguished among OECD countries (Thévenon, 2011):

- The Nordic countries (Denmark, Finland, Iceland, Norway and Sweden) provide comprehensive support for working parents with children of all age groups through a combination of generous parental leave arrangements and widely available childcare services. Family policies have a strong focus on social and gender equality. Both parents should be enabled to be employed and to take care of their children, and all children should receive high quality care and education from early age onwards.
- English-speaking countries (Ireland and United Kingdom, as well as Australia, New Zealand and, to some extent, Canada and the United States) provide much less support in time and in-kind for working parents with very young children. The financial support is primarily targeted at low-income families and preschool children. The level of support varies, with Canada and the United States lagging behind the others.
- Western continental and Eastern European countries form a more heterogeneous group that occupies an intermediate position between the Anglophone and Nordic countries. They generally focus on financial benefits, while in-kind support to (dual-earner) families with children under three is more limited. France stands out from the other continental countries because of its relatively high public spending on families with children and a stronger support for working women to combine work and family. Countries in Southern Europe are characterised by limited supports for working families, and low public spending on family cash benefits as well as on childcare services.

Considering this complex and varied scenario in terms of policy instruments and country specificities, a key question emerges: Are there best practices to be followed? This policy brief

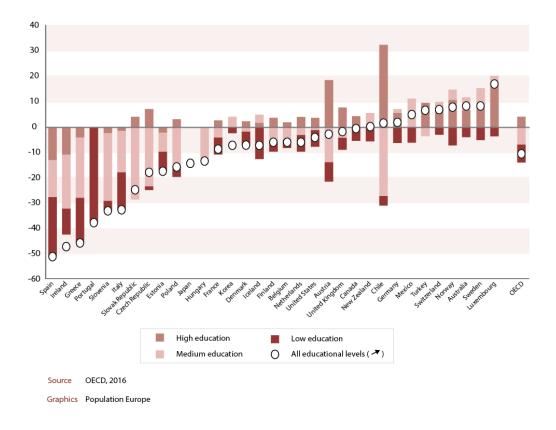
aims at exploring three specific issues on modern family policies that are at the core of current policy agendas: youths' transition towards self-sufficiency, the use of parental leave by fathers and its consequences for the family, and the effects of formal childcare on children's development.

#### **EVIDENCE AND ANALYSIS**

#### Transition to adulthood: a path of multiple challenges

Young people face multiple challenges as they attempt to complete education, move from education to employment, become economically independent, and start a family (Pailhé et al., 2014). As a consequence, adulthood is entered much later than in previous cohorts. Various factors are argued to have been responsible for this trend including reduced economic opportunities, technological changes in the production process, the spread of globalization, and the decline of unionization. Moreover, failure to obtain a college degree or dropping out of high school sharply decreases the probability of earning a middleclass wage. For many young individuals, unemployment has become a substantial problem, especially among disadvantaged minorities (Figure 3). Furthermore, jobs in general have become less stable over time. Thus there are greater uncertainties about young people's ability and willingness to assume adult responsibilities but also about their long-term socioeconomic prospects. Consequently, significant proportions of young people remain unable to support themselves, much less a family, before their mid to late 20s, and need to rely on their parents and/or the welfare state.

Figure 3: Percentage change in numbers of employed 15 to 29 year-olds, between 2007 and 2014, by level of education.



#### More direct support to youths is needed

Financial independence is fundamental to being considered an adult. However, the achievement of self-sufficiency is a process that demands state support. In the Nordic countries there is strong policy support for youths to engage in education even beyond the secondary level, combine employment and studies, leave the parental home and establish their own household in their early 20s. Nonetheless, poverty rates are high among young individuals there, although only for a limited period of their lives. Elsewhere in the OECD, where youth are supported indirectly through their families, self-sufficiency may be even harder to achieve.

According to Olivier Thévenon (2015), greater self-sufficiency can be achieved by establishing policies that prevent early school leaving, by promoting a wider and better combination of work experience during studies, and by introducing welfare policies that not only support youths directly but also aim to increase their personal income (for example via social assistance, housing, and education subsidies). Providing youths, lacking education or employment, with a second chance to obtain qualifications later in life is also a key measure for societies to be more inclusive.

#### Leave entitlements for fathers

Parental leave, that is time off from work to care for children, was originally considered an extension of maternity leave and usually restricted to mothers. Over the past four decades policies have increasingly recognized fathers as carers as well. Paternity leave, that is a (job-protected) leave period (paid or unpaid) reserved for fathers in relation to childbirth, has become available in twenty of the EU-28 countries, but tends to be much shorter than maternity leave (Figure 4). It is intended to enable fathers to assist the mother immediately after childbirth and to facilitate bonding between the father and his newly born child.

To promote fathers' long-term engagement in child rearing, parental leave entitlements have been extended to fathers as well. For 20 years now, since 1996, the European Union Council Directive on parental leave grants each parent the right to a job protected leave. The directive's amendment of 2010 aims to encourage fathers to take (more) parental leave by making one month of the leave non-transferable between parents. However, national regulations of parental leave often go beyond the directive's requirements. Thus, parental leave entitlements, length of leave, income compensation during the leave, the possibilities of part-time leaves or piece-wise use and the sharing options and transferability between parents vary widely across European countries.

In some countries parental leave is supplemented by a further period of leave (homecare leave/care leave/childcare leave) that parents can take to care for a very young child, often up to the age of three (or more). Some countries promote explicitly father's leave taking. Their parental leave regulations contain so-called "mommy and daddy quotas", the latter has to be taken by fathers and mothers on a "use it or lose it" basis.

Figure 4: Length in weeks of paid leave entitlements available to mothers and fathers in EU Member States, 2015<sup>2</sup>.

Country	Paid maternity leave	Paid parental and home care leave available to mothers	Paid paternity leave	Paid parental and home care leave reserved for fathers
Austria	16.0	44.0	0.0	8.7
Belgium	15.0	17.3	2.0	17.3
Bulgaria	58.6	51.9	2.1	0.0
Croatia	30.0	26.0	0.0	8.7
Cyprus	18.0	0.0	0.0	0.0
Czech Republic	28.0	82.0	0.0	0.0
Denmark	18.0	32.0	2.0	0.0
Estonia	20.0	146.0	2.0	0.0
Finland	17.5	143.5	3.0	6.0
France	16.0	26.0	2.0	26.0
Germany	14.0	44.0	0.0	8.7
Greece	43.0	0.0	0.4	0.0
Hungary	24.0	136.0	1.0	0.0
Ireland	26.0	0.0	0.0	0.0
Italy	21.7	26.0	0.2	0.0
Latvia	16.0	78.0	1.4	0.0
Lithuania	18.0	44.0	4.0	0.0
Luxembourg	16.0	26.0	0.4	26.0
Malta	18.0	0.0	0.2	0.0
Poland	26.0	26.0	2.0	0.0
Portugal	6.0	24.2	4.0	17.3
Romania	18.0	43.0	1.0	0.0
Slovak Republic	34.0	130.0	0.0	0.0
Slovenia	15.0	37.1	2.1	0.0
Spain	16.0	0.0	2.1	0.0
Sweden	8.6	51.4	1.4	8.6
United Kingdom	39.0	0.0	2.0	0.0

Source OECD, 2015
Graphics Population Europe

#### Fathers' leave uptake is still low, but advantages for families are big

Despite the introduction of parental-leave entitlements in EU member states, the number of weeks reserved exclusively for fathers remains far below the number of weeks required for a gender-equal sharing of parental leave (Figure 4). Fathers' uptake of this benefit is also low in the vast majority of European countries: the overall take-up falls between 20% and 30% short of their entitlements (Moss, 2010). These low numbers and/or short durations are related to the fact that parental leave benefits (if granted) are often too low to compensate for the income loss during parental leave, and that many fathers who do not take parental leave fear or face higher labour market risks, such as fathers with low education or short work experience.

However, reforms introducing "daddy quota" have proved to be efficient in encouraging fathers to take some period of leave. Evidence indicates that parents with children born after the introduction

<sup>&</sup>lt;sup>2</sup> Data extracted from the OECD Family Database on December 8, 2016.

of the daddy quota are less likely to experience conflicts over the division of household tasks, and are more likely to share such tasks. Studies also suggest an increase in father involvement in caring for the child after the introduction of the quota (Dykstra et al, 2016).

Father's leave taking may also have a positive influence on fertility and family stability. In a study on Nordic countries, Ann-Zofie Duvander, Gerda Neyer and colleagues show that when the father takes parental leave, couples are more likely to have a second child than if he does not take the leave, regardless of the length of the leave taken (above or at the minimum of the legal "daddy quota") (Duvander et al. 2016). In a further upcoming study they show that couples in which the father takes parental leave and shares child rearing with the mother are less likely to separate in the long run. These results support policy claims to implement parental leaves for fathers and to promote greater gender equality in the care for children.

#### Preschool education: does it improve children's life chances?

A growing literature establishes the importance of early inputs in children's lives. Preschool education is likely to diminish differences among children's skills independently of socio-economic background, reducing the persistence of inequality across generations and promoting inclusive growth.

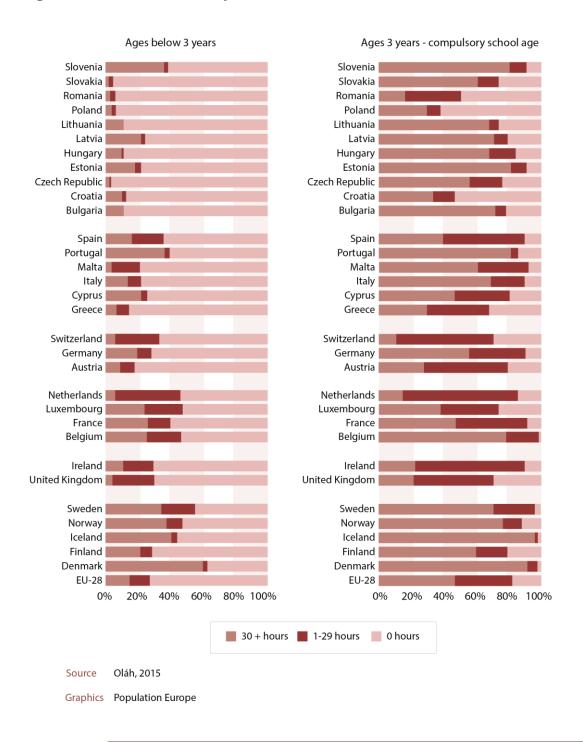
Researchers have been exploring the impact of early childcare on various outcomes related to work-life balance such as mothers' participation in the labour market, and also on children's development both in terms of cognitive and non-cognitive outcomes. Time inputs from both mothers and fathers are the most valuable resources for young children, with father's time gaining more relevance as the child grows older (Del Boca et al, 2014). However, external high quality childcare proves to be a good substitute, with positive and long-term effects.

Results from multiple studies indicate that childcare availability has a positive effect on the probability of mothers' employment. For children, most studies found positive effects of attending childcare on their development, especially among children from disadvantaged backgrounds (Brilli et al, 2016). Investments in early education seem to lead to higher rates of return than of later interventions. The benefits gained last longer over the life cycle, and help to contribute to lowering the costs of remedial policies in later stages of individuals' lives. A recent simulation exercise for the UK has shown that introducing formal childcare for all children below age three would reduce the proportion of children with low test scores (cognitive outcomes). It would also lead to a reduction in the dispersion of cognitive outcomes, and to smaller differences in school performance among children from different social background (Del Boca et al, forthcoming).

#### Provision of childcare is still low

Figure 5 shows the considerable variations across EU countries in formal childcare provision in 2015. As seen, childcare is often provided on a part-time basis, if at all, which is less effective in promoting mothers' employment. For younger children formal care is available mostly in Scandinavia, Portugal and Slovenia. However, in German-speaking, Southern and Central-East European countries the availability of formal childcare is still very low or the provision is confined to only part-time. This helps to explain the low levels of maternal employment as well as the prevailing low fertility in these regions.

Figure 5: Formal childcare, by duration.



#### POLICY IMPLICATIONS AND RECOMMENDATIONS

- A modern European family policy should be a coherent mix of measures that provides support to a diverse variety of families during their entire life courses across all European countries.
- Policies preventing early school leaving and welfare policies that support youths directly (social assistance, housing, and education subsidies) should be promoted, instead of indirect benefits via their parents.
- Countries should create policies allowing for greater job flexibility. The right of citizens to request flexible work is of crucial importance when pursuing work-life balance and gender equality.

- Policies should ease it for parents to spend time with their children by providing generous and flexible parental leaves for both mothers and fathers.
- EU-level regulations on leave options are of great importance in setting minimum standards, and in influencing entitlements, length, flexibility and payment levels to facilitate reaching the employment targets and the gender equality objective. In line with this, EU-regulation of paternity leave should not be postponed any further.
- Governments need to invest in improving the provision and the quality of formal childcare on full-time basis also for children below age three, and to promote its use among families.

#### RESEARCH PARAMETERS

FamiliesAndSocieties aims to investigate the diversity of family forms, relationships and life courses in Europe, to assess the compatibility of existing policies with these changes, and to contribute to evidence-based policy making. The consortium brings together 25 leading universities and research institutes from 15 European countries, three transnational civil society actors and a large number of national and international stakeholders.

The points of departure for the project are that family life courses are becoming more complex and diverse, that individuals' lives are interdependent - linked within and across generations - and that individual life courses are shaped by social contexts and policies. Four transversal dimensions are integrated into the project: gender, culture (ethnic, migrant and cultural identities, sexual orientation), socioeconomic resources, and life stages.

The project has four main objectives: to explore the growing complexity of family configurations and transitions across and within European societies; to examine their implications for children, women and men with respect to inequalities in life chances, intergenerational relations and care arrangements; to investigate how policies address family diversity and its consequences; and to identify likely paths of future changes in family compositions and related policy needs.

The approach is multidisciplinary, combining a wide range of expertise in social sciences, law and the humanities, represented in the consortium. Comparative analyses are being applied and advanced quantitative methods to high quality register and survey data used. Moreover, qualitative studies are being conducted. The project will develop two databases, one on the legal content of family forms available in European countries, and another on EC/EU initiatives in core family-policy areas during the last decades.

The project is organized into 12 work packages including management and dissemination activities. Substantive work packages address family configurations, new gender roles, the new role of children and assisted reproductive technology, inequalities in children's life chances, childcare arrangements, intergenerational links, social inclusion/exclusion of migrants, policies and diversity over the life course, and foresight, synthesis and policy implications. All major European regions are represented in the project governance. Together with various stakeholders, government agencies, national and local policy makers, nongovernmental organisations and additional members of the scientific community across Europe, the project will identify and disseminate innovation and best policy practices.

#### **PROJECT IDENTITY**

#### **PROJECT NAME**

FamiliesAndSocieties – Changing families and sustainable societies: Policy contexts and diversity over the life course and across generations.

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**BUDGET** 

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**WEBSITE** 

www.familiesandsocieties.eu

### FOR MORE INFORMATION

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