



# Gender Brief

Prepared by the OECD Social Policy Division  
[www.oecd.org/els/social](http://www.oecd.org/els/social)

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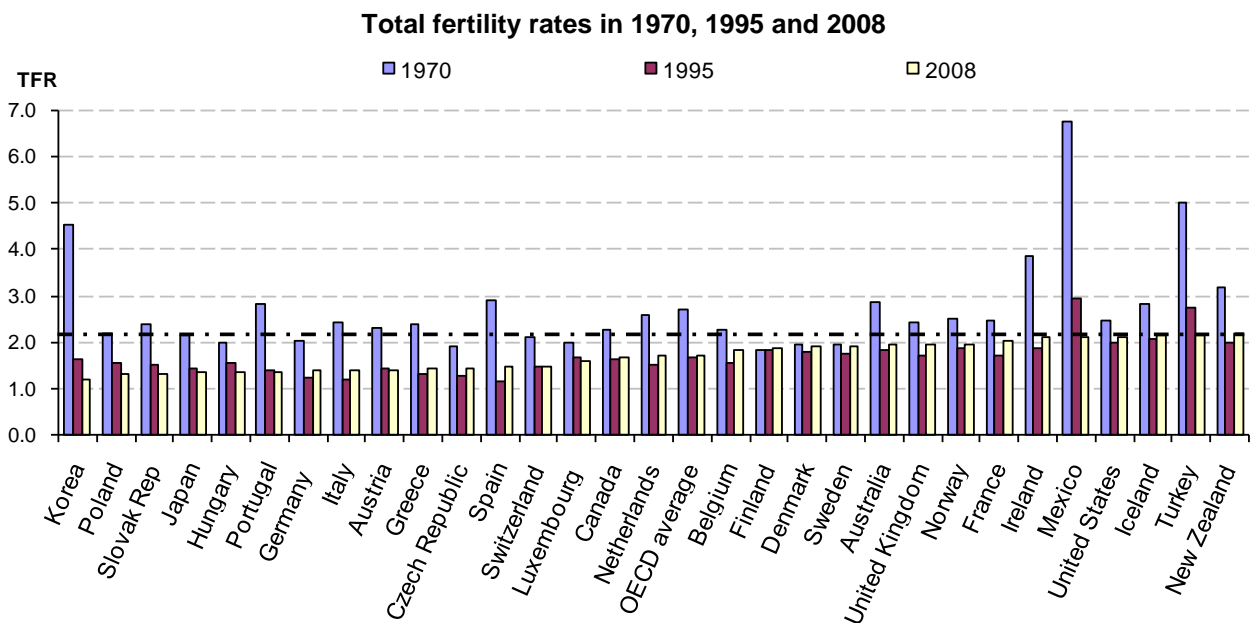
## Table of Contents

<b>I. FAMILY STRUCTURES</b> .....	3
Women are having less children.....	3
Women have postponed having children .....	4
A considerable number of children live in sole-parent households .....	5
Divorce rates are on the rise .....	6
Marriage rates are going down .....	7
<b>II. WOMEN'S EMPLOYMENT AND INCOME STATUS</b> .....	8
More women are in paid work .....	8
Employment rates are low for mothers of young children.....	9
Sole mothers in paid work.....	10
The “dual-earnership” model has become the norm .....	11
Still many gender gaps prevail.....	12
Women work less than men.....	12
Women earn less than men .....	13
Women are poorer than men.....	14
Unpaid work .....	15
Women spend more time on unpaid work than men .....	15
Less leisure time for women .....	16
Women are spending more years in employment.....	17
<b>III. PUBLIC POLICIES TOWARDS FAMILIES</b> .....	18
Public spending on childcare varies widely across the OECD.....	19
Childcare and pre-school enrolment rates .....	20
For less than 3 year olds formal childcare varies considerably across countries.....	20
For children aged 3-5 pre-school enrolment rates are generally high.....	20
Use of formal childcare services depends on childcare fees .....	21
Parental leave policies vary across countries.....	22
Additional leave entitlements for working parents.....	24
Days of paid annual leave.....	24
Leave entitlements to care for a dependent relative .....	24
Flexibility in working time .....	27
Impact of marriage on pensions.....	28
Pension treatment of couples and single people.....	28
Survivor benefits .....	29
Pension entitlements and childcare breaks.....	30
<b>IV. REFERENCES</b> .....	35

## I. Family structures

### Women are having less children

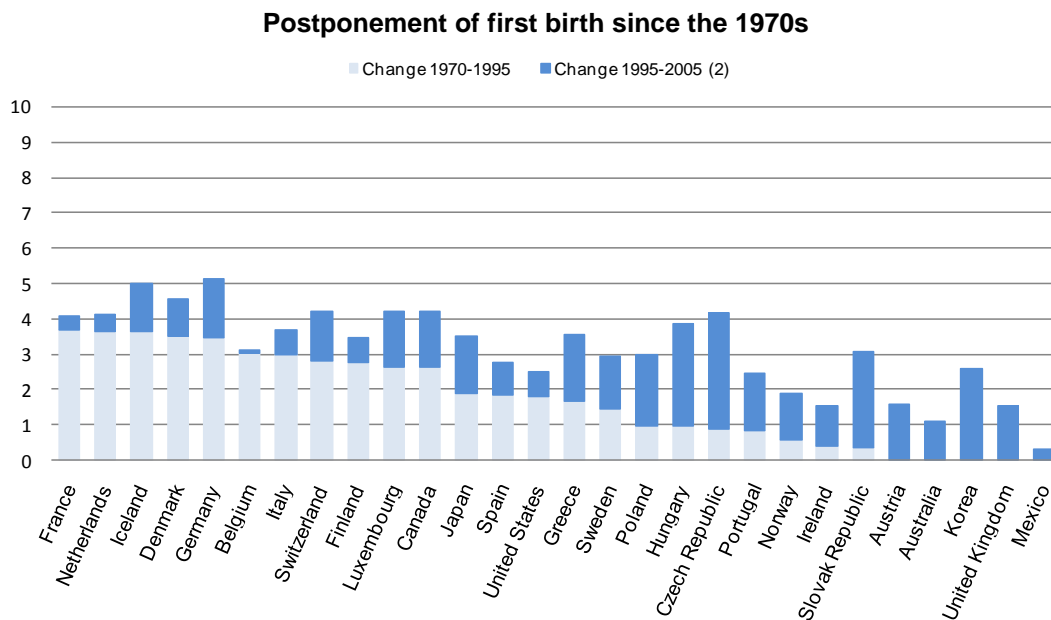
- Between 1970 and 1995, fertility rates decreased markedly, reaching below replacement levels in all OECD countries, except Mexico and Turkey. From 1995 onwards, fertility rates continued to decrease in 9 member countries. In the rest of the countries, fertility rates either remained stable or showed a small but positive increase.
- In 2008, Total Fertility Rates were well below the replacement rate in most OECD countries. It exceeded two children per woman in only a few countries: France, Iceland, Ireland, Mexico, New Zealand, Turkey and the United States.



Countries are ranked in ascending order of fertility rates in 2008.  
Source: OECD [Family Database](#) >SF4.

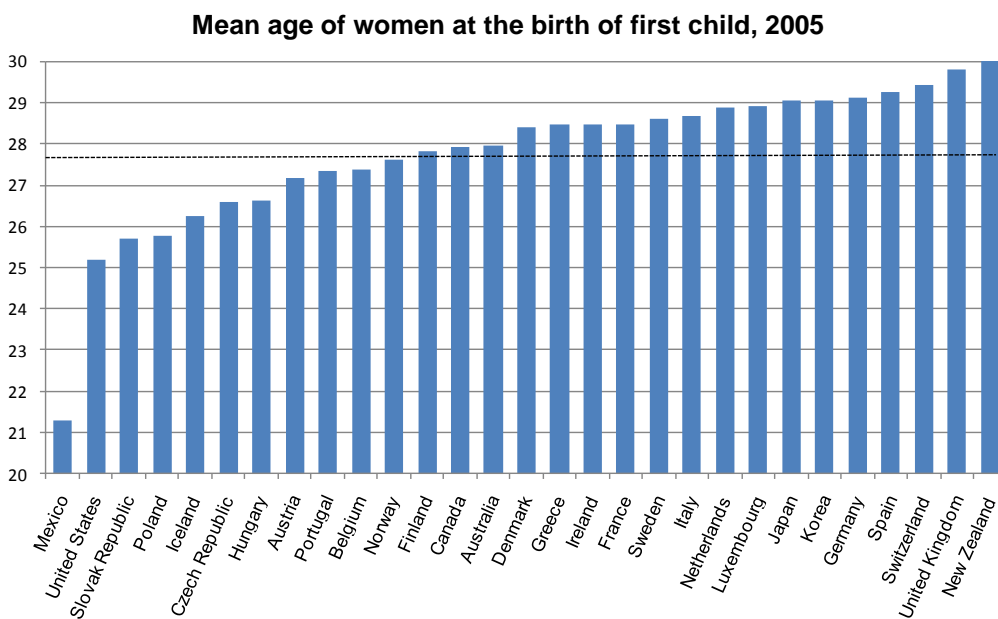
## Women have postponed having children

- Postponement of age of entry into motherhood has been observed in the vast majority of OECD countries.



Notes: Countries are ranked by descending order of the delay of a first birth that occurred from 1970 to 1995. Data for 1970 are not available for Australia, Austria, Korea, Mexico and UK. Source: OECD [Family Database](#) >SF5.

- In 2005, the age of women at first birth was close to 28 years (27.8) on average in the OECD. However, this figure varied widely, ranging from 21.3 in Mexico to 30.7 in New Zealand.

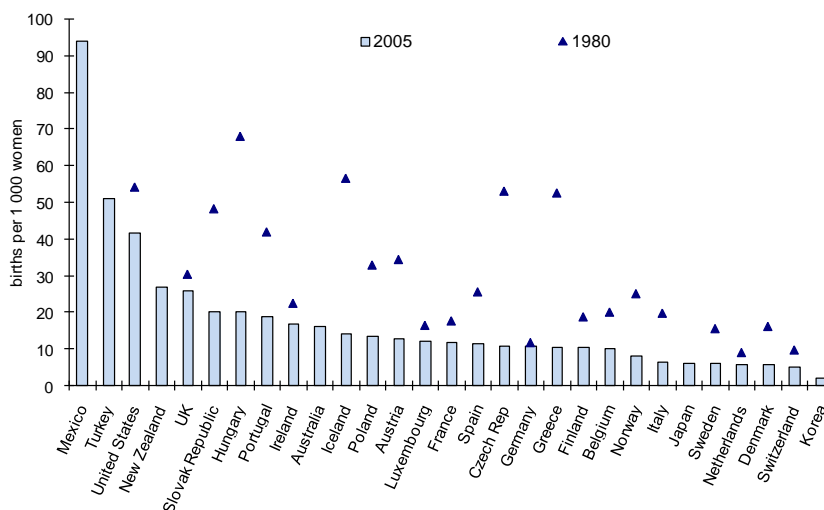


Source: OECD [Family Database](#) >SF5.

## Less births to teenage mothers

- In all OECD countries (for which data is available) adolescent fertility rates have decreased over the last twenty five years. Whereas in 1980 there were on average 33 births per 1,000 women aged 15 to 19, in 2005 this figure dropped to 18.
- Adolescent fertility rates are especially high in the United States, Turkey and Mexico, with more than 40 births per 1,000 women aged 15 to 19. This rate is more than twice the OECD average rate.

**Adolescent fertility rates, 1980 and 2005**

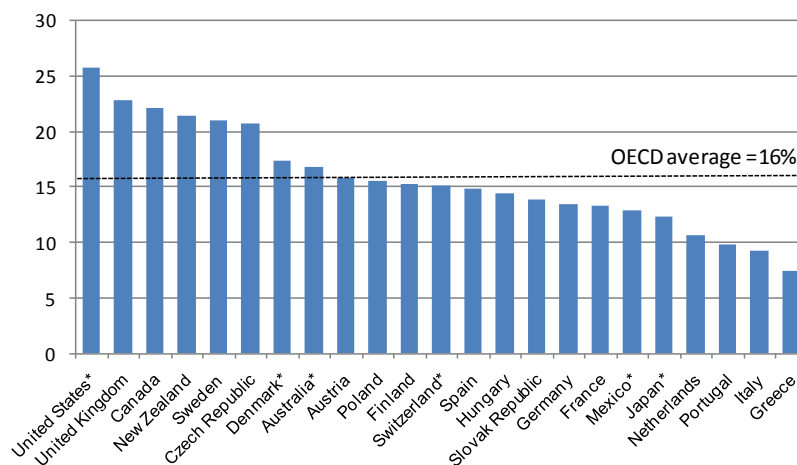


Source: OECD [Family Database](#) >SF6.

## A considerable number of children live in sole-parent households

- Across the OECD, one in six children are living in sole-parent households. Moreover, the great majority of sole-parent households are headed by women (OECD average 85%).
- The English-speaking countries present the highest proportion of children living with a sole parent (above 20%).

**Proportion of children aged 0-14 living in sole-parent families, most recent year**

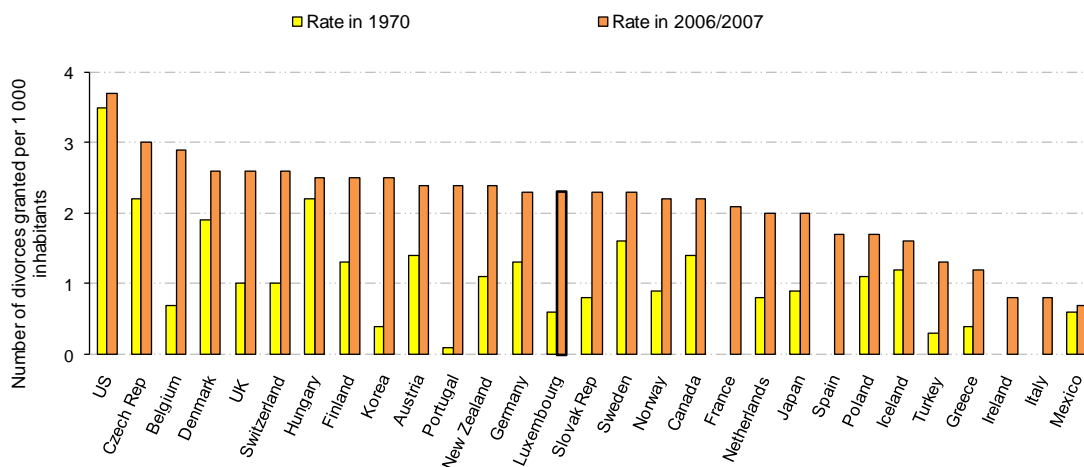


Source: OECD [Family Database](#) >SF2.

## Divorce rates are on the rise

- Divorce rates have markedly increased in most OECD countries. Between 1970 and 2007, the increase in divorce rates in the United States was small, but from already high levels.
- Cross-national differences in crude divorce rates (number of divorces granted per 1 000 individuals) remain important in 2005/2007 and ranged from 0.7 divorces per 1 000 inhabitants in Mexico to 3.7 per 1 000 inhabitants in the United States.

### Increase in crude divorce rates in all OECD countries from 1970 to 2006/2007

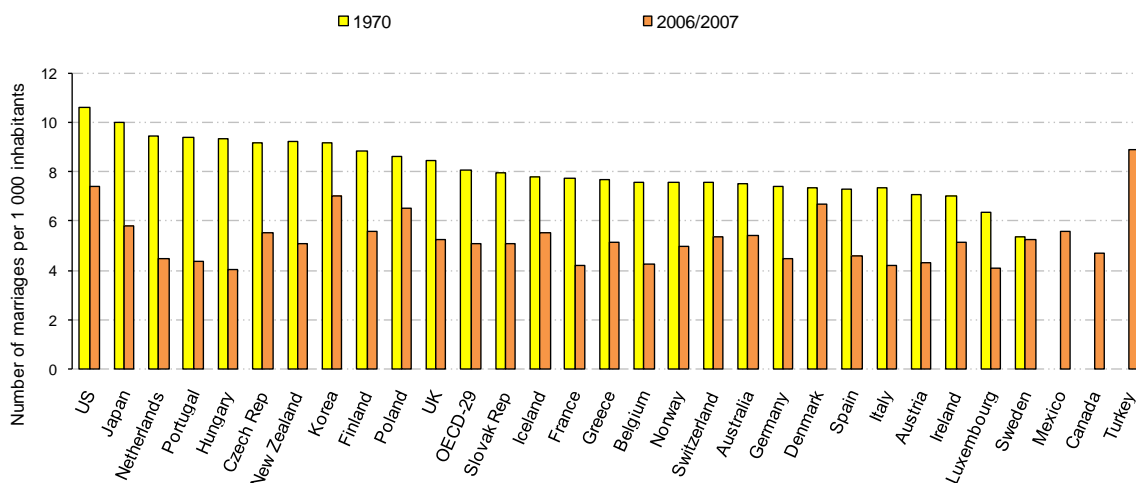


Source: OECD [Family Database](#) >SF8.

### Marriage rates are going down

- In almost all OECD countries, there has been a noticeable decline in marriage rates since 1970. The decline has been substantial in, for example, the Netherlands and, has been limited in Denmark or Sweden. In these countries marriage rates were already relatively low in 1970.
- The decline in marriage rates does not necessarily mean that fewer couple partnerships are being formed, as there has been a significant increase in other forms of partnership.

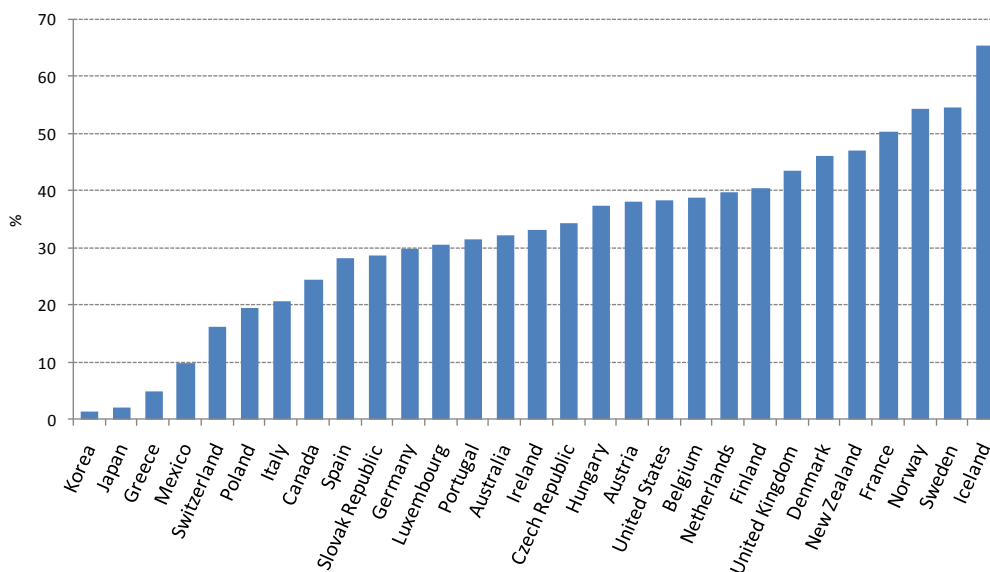
**Marriage rates between 1970 and 2007**



Source: OECD Family Database -SF8.

- In many OECD countries, the number of parents who were not married at the time of birth of their first child has increased. There are large differences across OECD countries in the proportion of out-of-wedlock births: this proportion varies from less than 10% in Greece, Japan and Korea or Mexico to 50% or more in France and most Nordic countries.

**Out-of-wedlock births (%), 2007 or most recent year**

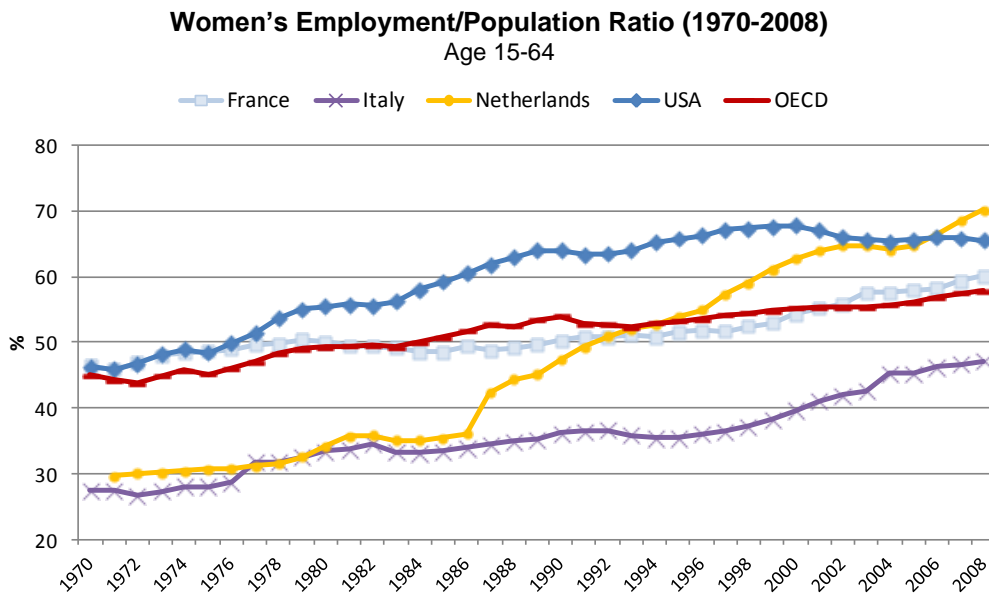


Source: OECD Family Database -SF6.

## II. Women's employment and income status

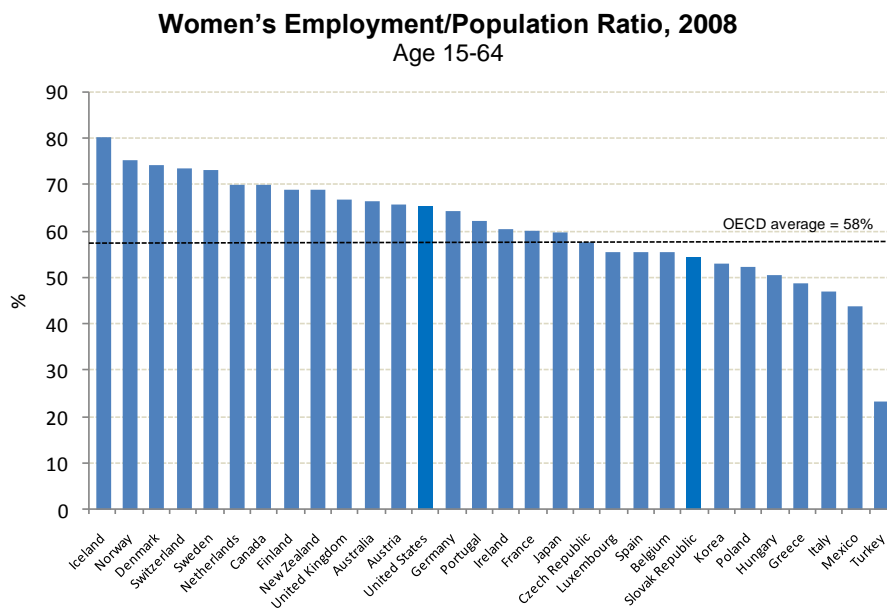
### More women are in paid work

- Women's employment rates have markedly increased. While in 1970 less than half (45%) of all women (aged 15 to 64) in OECD countries participated in the labour market, in 2008 this proportion increased to 58%.



Source: OECD [Family Database](#) >LMF6 and OECD Statistics on [Labour Force Statistics by Sex and Age](#).

- Female employment rates vary widely across countries. While in 2008 more than 70% of women are in paid employment in the Nordic countries, less than 50% are employed in Greece, Italy, Mexico and Turkey. In a typical OECD country the proportion of women in paid work is on average 58%.



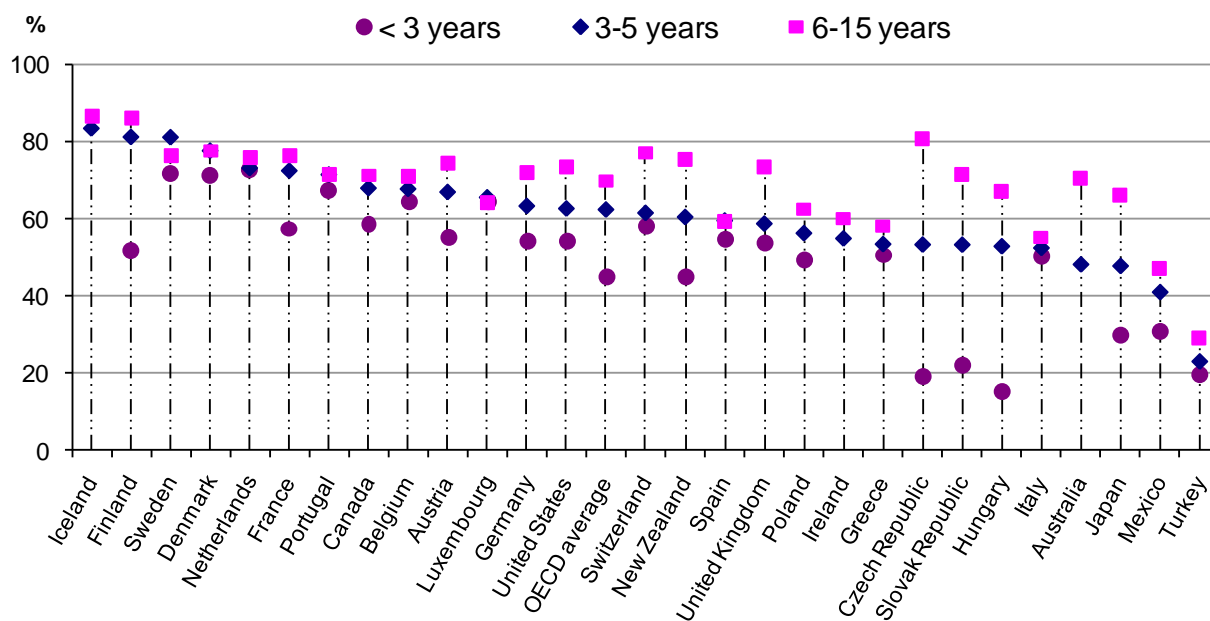
Source: OECD [Family Database](#) >LMF6 and OECD Statistics on [Labour Force Statistics by Sex and Age](#).



## Employment rates are low for mothers of young children

- Maternal employment rates tend to be lower than for women as a whole. Moreover, mothers are more likely to be out of work when their children are very young and to go back to work when their children reach the age of compulsory schooling (around 6 years of age). The employment gap between mothers with very young children (less than 3 years old) and mothers with children in compulsory school (6 to 15 years old) is on average 25 percentage points.
- Some countries (the Czech Republic, Finland, Hungary and the Slovak Republic) have markedly low employment rates for mothers with children younger than three. In these countries, extended parental leave is available and leave takers are not counted as in employment during this period.

Maternal employment rates by age of youngest child, 2007<sup>1</sup>

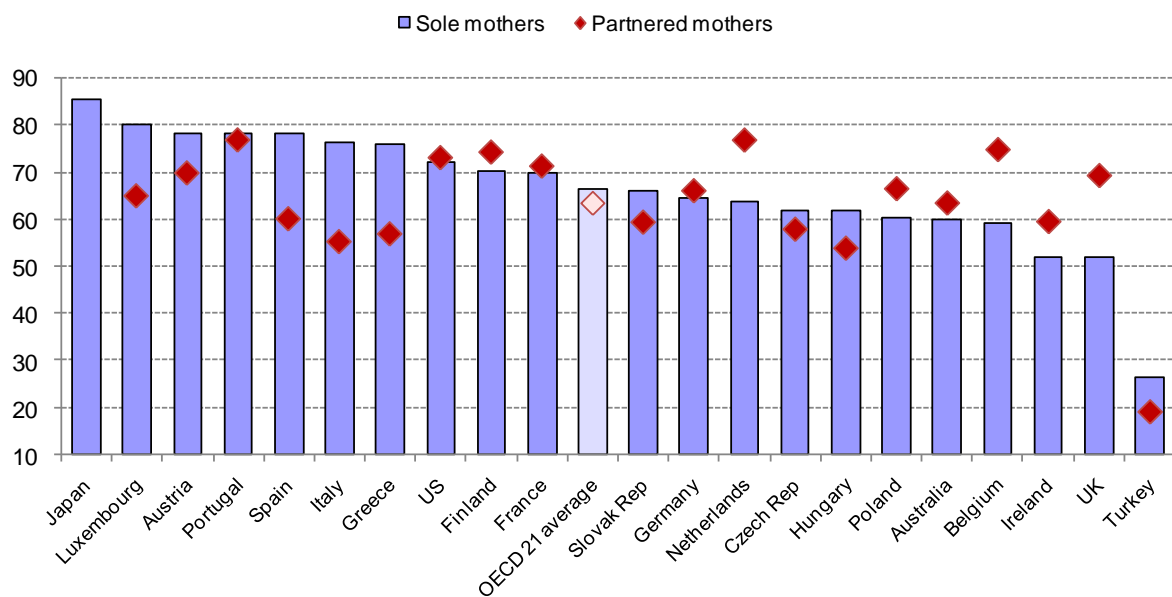


Notes: Countries are ranked in descending order of maternal employment rates with the youngest child aged between 3 and 5.  
Source: OECD [Family Database](#) >LMF2.

## Sole mothers in paid work

- The proportion of sole mothers in paid employment is higher than that of partnered mothers in most countries, particularly in Greece, Italy and Spain, where differences are around 20 percentage points. In these countries, sole mothers have to engage in paid work as public benefits for sole parents are low, often relying on informal networks for childcare support.
- By contrast, in countries where income support for sole parents is substantial and where (at least until recently) there is little expectation of them being in work, employment rates among sole mothers are much lower than those of partnered mothers, as for example, in Ireland and the UK.

**Maternal employment rates by partnership status, 2007<sup>1</sup>**

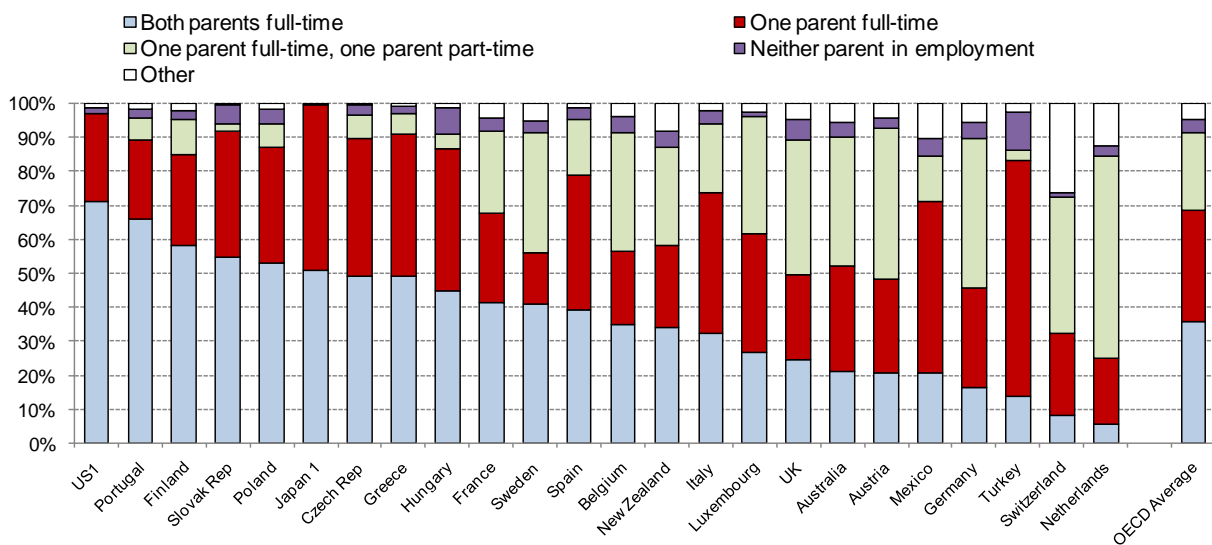


Notes: 1) Year 2007, except 2006 for Australia.  
Source: OECD [Family Database](#) >LMF3.

## The “dual-earnership” model has become the norm

- Dual-earner families is the most common model among couple families in the majority of OECD countries. Only in a few countries (Japan, Mexico and Turkey) are single-income families more common than dual-earners. However, men are often still the main earner in couple families as women often work part-time and tend to have lower wages than their husbands.
- One-and-a-half earner households, though increasing over time, is the most usual arrangement only in a few countries: Austria, Germany, Switzerland, the UK, and in particular, the Netherlands.

### Employment patterns among couple families with children aged 0-14, 2007



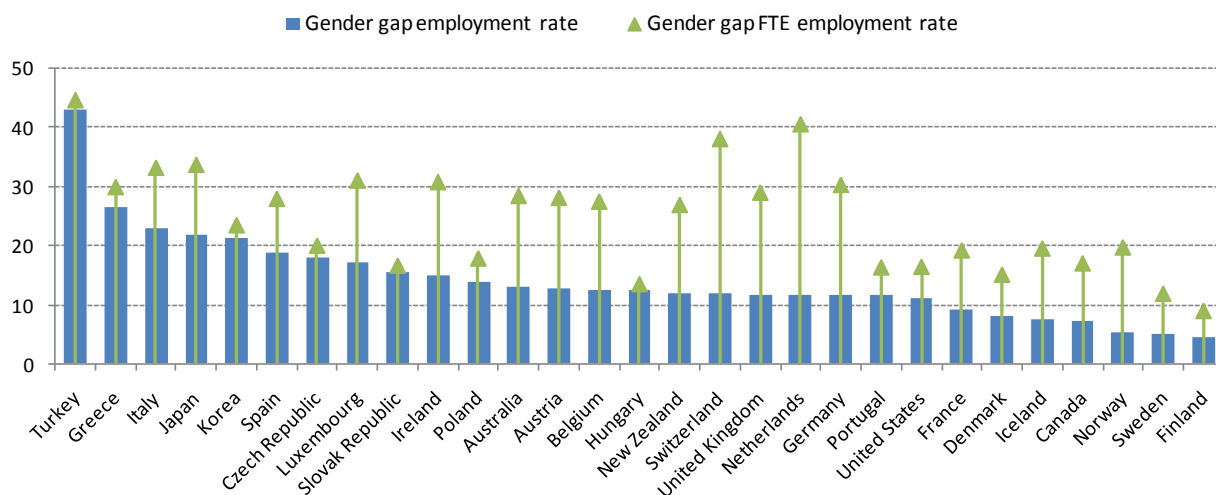
Notes: 1) No distinction between full-time and part-time employment in the data for Japan and the US  
 Source: OECD [Family Database](#) >LMF8.

## Still many gender gaps prevail

### Women work less than men

- The OECD gender gap in employment rates varies considerably across countries. In 2008 it was greatest in the Mediterranean countries, Japan, Korea, Mexico and Turkey, and smallest in the Nordic countries. However, full-time equivalent employment rates indicate that gender gaps in employment rates are wider. For instance, the Netherlands where working part-time is common the full-time equivalent employment gap is of considerable size (40%) because women tend to work more part-time (60%) than men (16%).

**Gender gap in employment rates, 2008**

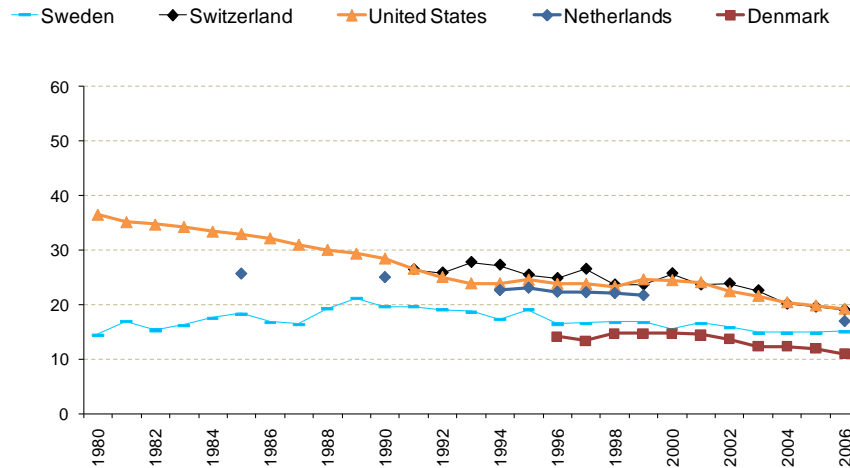


Source: OECD [Factbook](#) (2009) and OECD [Family Database](#) >LMF6.

**Women earn less than men**

- Gender wage gaps have decreased over time in most OECD countries. In the US, a steep decline was observed between 1980 and 1995. Nowadays gender wage gaps in the US are close to the OECD average; and as in the majority of OECD countries the gap is larger for high earners.

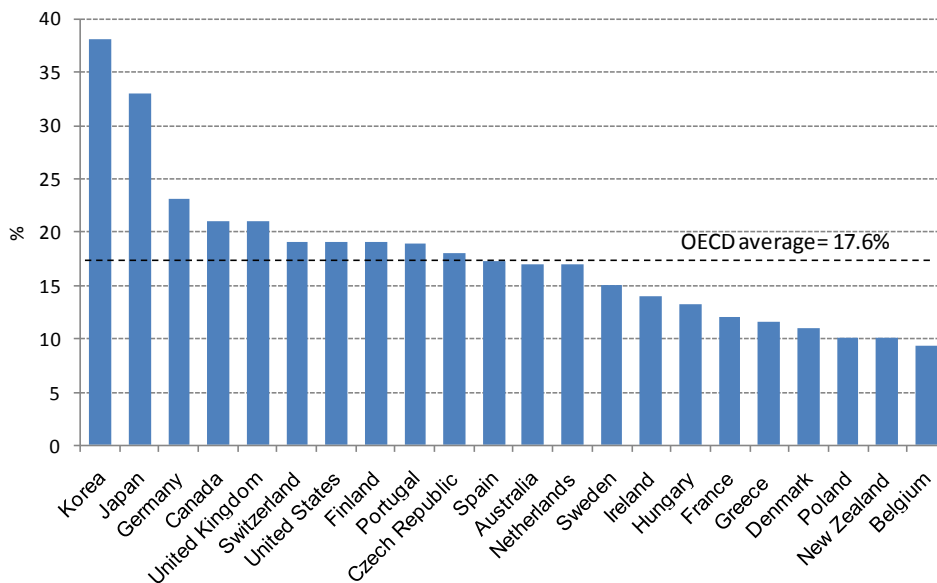
**Trends in gender wage gap in median earnings of full-time employees, 1980-2006**



Source: OECD Family Database >LMF5 and OECD Earnings database.

- In all OECD countries median earnings of men are higher than those of women, with an average difference of around 18%. Gender wage gaps show wide cross-country variation. Whilst in Japan and Korea men’s earnings are more than 30% higher than those of women, in Belgium and New Zealand gender differences are below 10%. Unequal pay prevails in part because women are more likely to work in lower-paid occupations than men.

**Gender gap in median earnings of full-time employees, 2006 or latest year available**

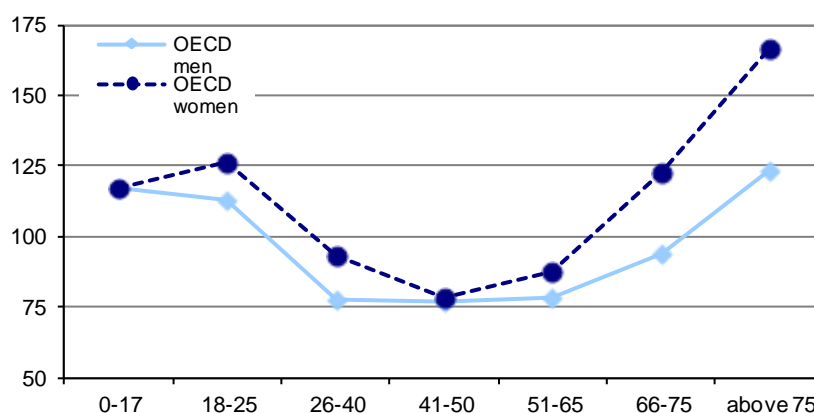


Source: OECD Family Database >LMF5 and OECD Earnings database.

### Women are poorer than men

- Across all OECD countries women are more likely to be poor than men. This gender difference significantly widens from age 66 onwards. The risk of relative poverty shows that women aged 66-75 are 1.2 times more likely to be poor than the general population. Moreover, this increased risk goes up to 1.7 for women above age 75. By contrast, men in the old age groups are more likely to be poor than the general population only when they are above age 75 (1.2 times).

**Risk of relative poverty of men and women by age, OECD average, mid-2000s**  
Poverty rate of the entire population = 100



Note: Relative poverty risk is the age-specific poverty rate of men and women divided by the poverty rate for the entire population times 100. The poverty threshold is set at 50% of the median income of the entire population.

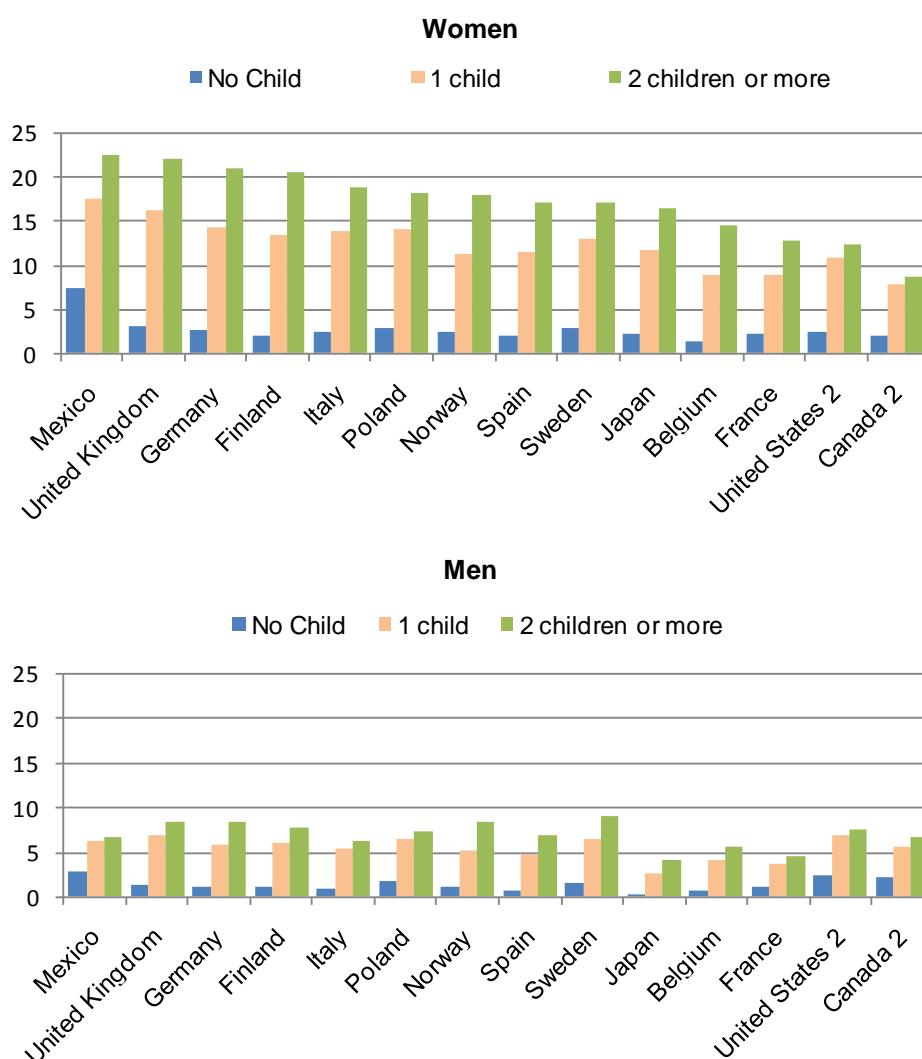
Source: OECD(2008); [Growing Unequal? Income Distribution and Poverty in OECD Countries](#).

## Unpaid work

### Women spend more time on unpaid work than men

- In all OECD countries, women spend more time on care work (time spent to care for a child or another adult) as a primary activity than men. The amount of time allocated to care activities is largely determined by the presence of children in households. The proportion of total time spent on care work by women with 2 children or more varies from 9% in Canada to 23% in Mexico.
- In almost all countries, women spend at least twice as much time on caring than men. The largest differences are recorded for Japan and Turkey where women spend on average 4 and 6 times more time on care work than men, respectively.

### Percentage of time dedicated to care work, by number of children under school age<sup>1</sup>



Notes: Countries are ranked by decreasing percentage of time dedicated to care activities by women with two children or more.

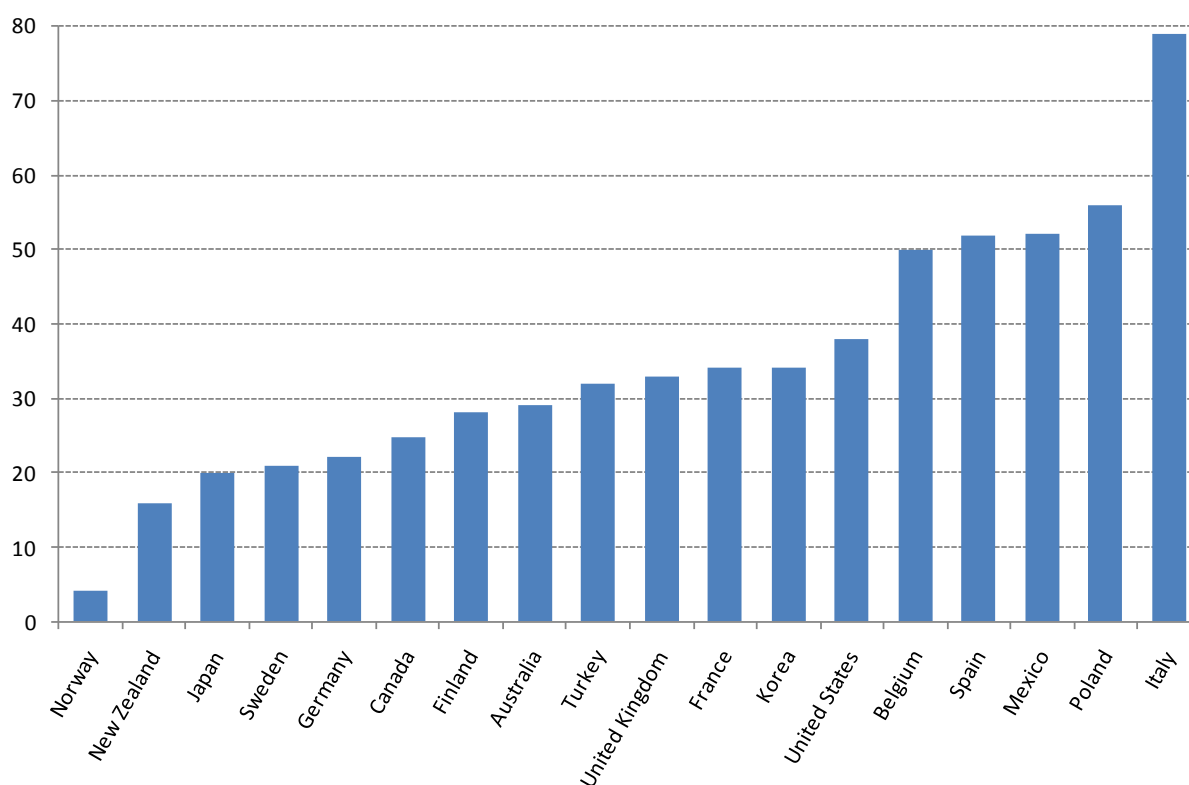
1) School age refers generally to children under age 7, except for the US and Japan where data refer to children under 6, and to children under 5 in Mexico. 2) Care work includes here all episodes of care work declared as primary or secondary activity, except for the United States and Canada, where it also includes the time spent to care for household members or to informally help other households.

Source: OECD Family Database >LMF11.

### Less leisure time for women

- Men universally report spending more time in activities classified as “leisure” than women. Gender differences in leisure time are wide across OECD countries. While Norwegian men spend just a few minutes more a day on leisure activities than women, Italian men spend nearly 80 minutes a day more than women on this kind of activities.

Gender differences in leisure time, minutes per day  
(positive figures show a male advantage)



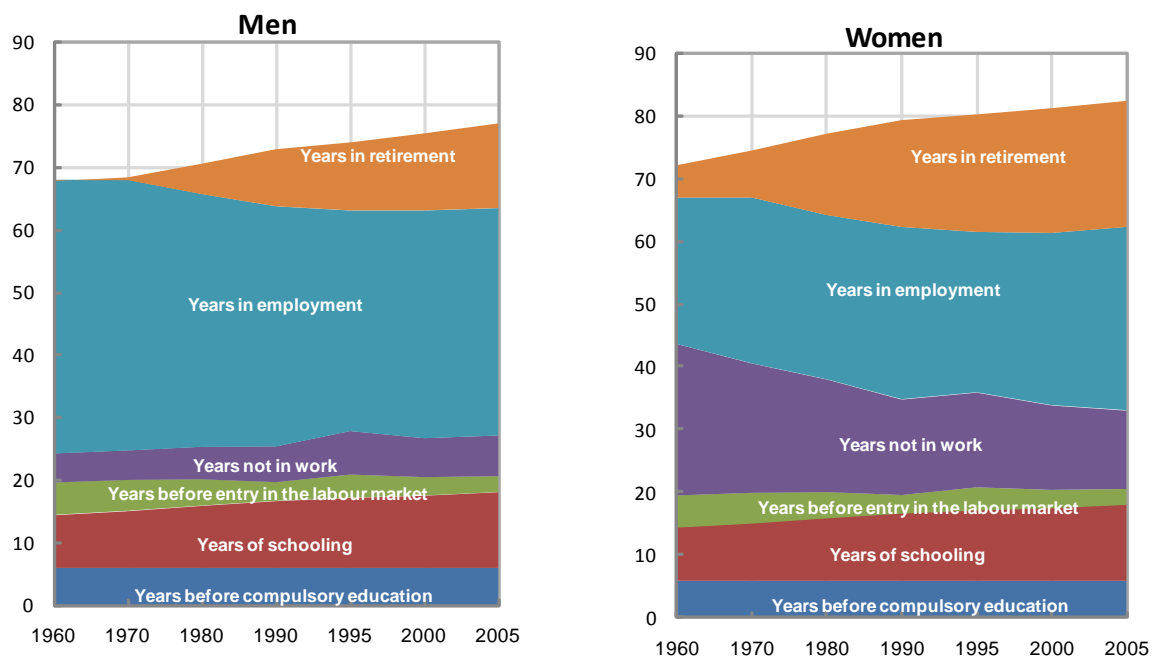
Source: [Society at a Glance](#) 2009.



### Women are spending more years in employment

- The allocation of time in different main activities over the life course has changed over the last decades. Longer life expectancy has been accompanied by an increase in the number of years in retirement, especially for women. Additionally, women spend more years in paid work and more time in education. By contrast, men have experienced a continuous decline in the number of years in paid work as a consequence of earlier retirement and longer periods of study.

Years spent in different activities by men and women in a typical OECD country

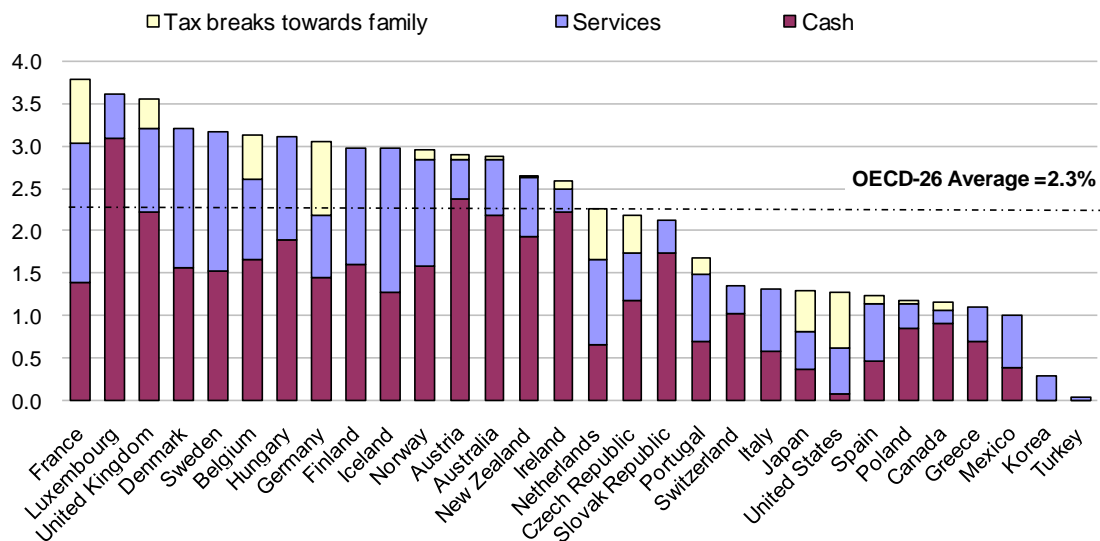


Source: Society at a Glance 2009.

### III. Public policies towards families

- OECD countries spend on average 2.3% of their GDP on family benefits, with large variations across countries. Public spending on family benefits is above 3.5 percentage points of GDP in France, Luxembourg and the United Kingdom. It is less than 1 percentage point in Mexico and Korea.
- The proportion spent in cash, services and tax measures is variable. The majority of countries spend a higher proportion in cash benefits than in services or tax benefits. Exceptions include France, Denmark, Iceland, Italy, Korea, Mexico and Spain, where spending in services is higher. On the other hand, the proportion spent on tax breaks towards family is large in Germany, Japan, the Netherlands, and particularly the United States.

**Public expenditure on family benefits in cash, services and tax measures, per cent of GDP, 2005**

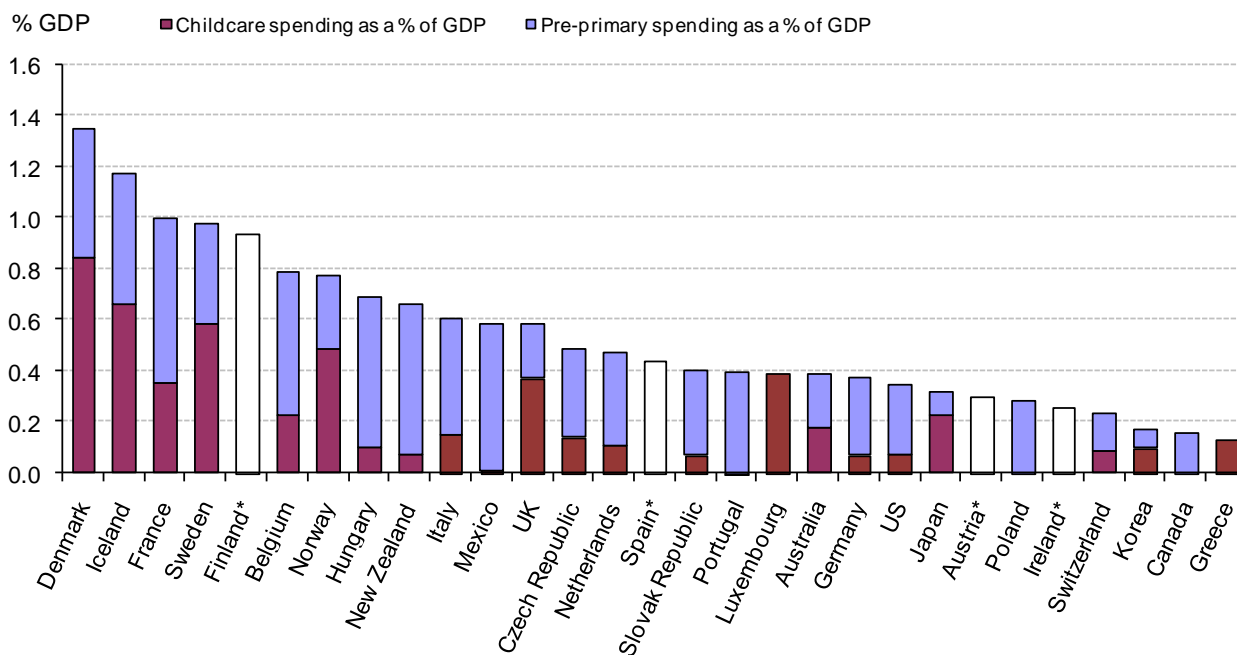


Notes: Public support accounted here only concerns public support that is exclusively for families (e.g. child payments and allowances, parental leave benefits and childcare support). Spending recorded in other social policy areas such as health and housing support also assists families, but not exclusively, and is not included here.  
Source: OECD [Family Database](#) >PF1.

## Public spending on childcare varies widely across the OECD

- Public spending on childcare and pre-school services in OECD countries is on average 0.6% of GDP. It is highest in the Nordic countries and France, at above 1% of GDP and lowest in Canada, Greece and Korea.
- US public expenditure on childcare and pre-primary education is well below the OECD average, at 0.35% of GDP.
- There is much variety in spending on formal childcare for children below three, ranging from substantive in Nordic countries to limited in Mexico, Poland and Portugal. It is also low in Southern European countries as informal care is the predominant form of care for younger children. Likewise, it is low in countries where private provision of day care is predominant, as for example, in the US.
- Public spending on early education of 3 to 5 year-olds presents less variation as many countries across the OECD have pre-primary education services. Only Japan and Korea spend less than 0.10% of GDP on early childhood education.

### Public expenditure on childcare and early education services (% of GDP), 2005

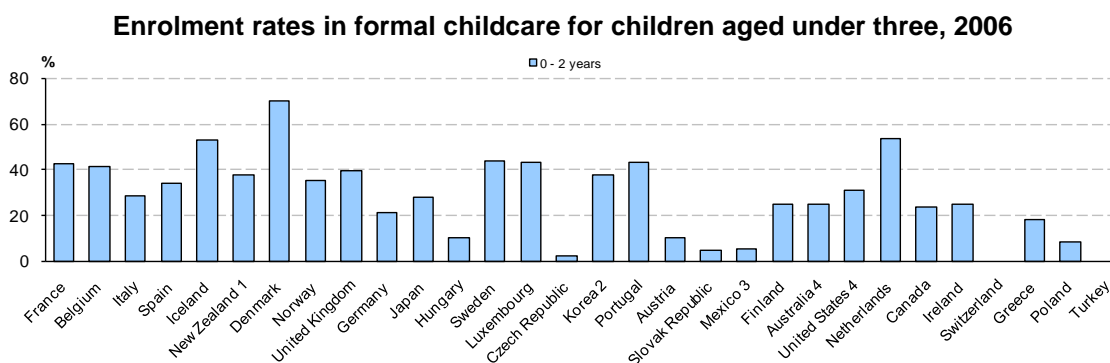


Notes: \* For Austria, Finland, Ireland and Spain only aggregate spending data are presented.  
Source: OECD Family Database >PF10.

## Childcare and pre-school enrolment rates

### For less than 3 year olds formal childcare varies considerably across countries

- On average, across OECD countries for which data is available, around 30% of children under the age of three were enrolled in childcare facilities in 2006. Enrolment rates varied from less than 10% in the Czech Republic, Poland and the Slovak Republic to more than 50% in Denmark, Iceland and the Netherlands.

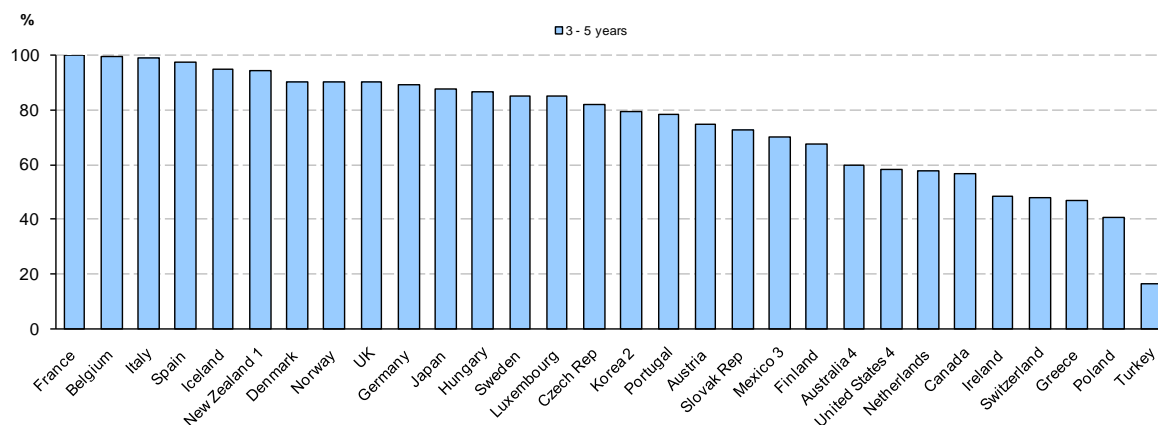


Countries are ranked in descending order of 3 to 5 year old enrolment rates.

### For children aged 3-5 pre-school enrolment rates are generally high

- The proportion of children aged 3-5 enrolled in pre-school services is much higher than participation in childcare for very young children. In half of OECD countries, at least 80% of children in this age group were enrolled in pre-school programmes in 2006. Enrolment rates were particularly high, with practically universal coverage, in France, Belgium, Italy and Spain. On the other hand, participation rates among 3-5 year olds are close to or below 40% in Poland, and Turkey.

### Enrolment rates in pre-school educational programmes for children between 3 and 5, 2006



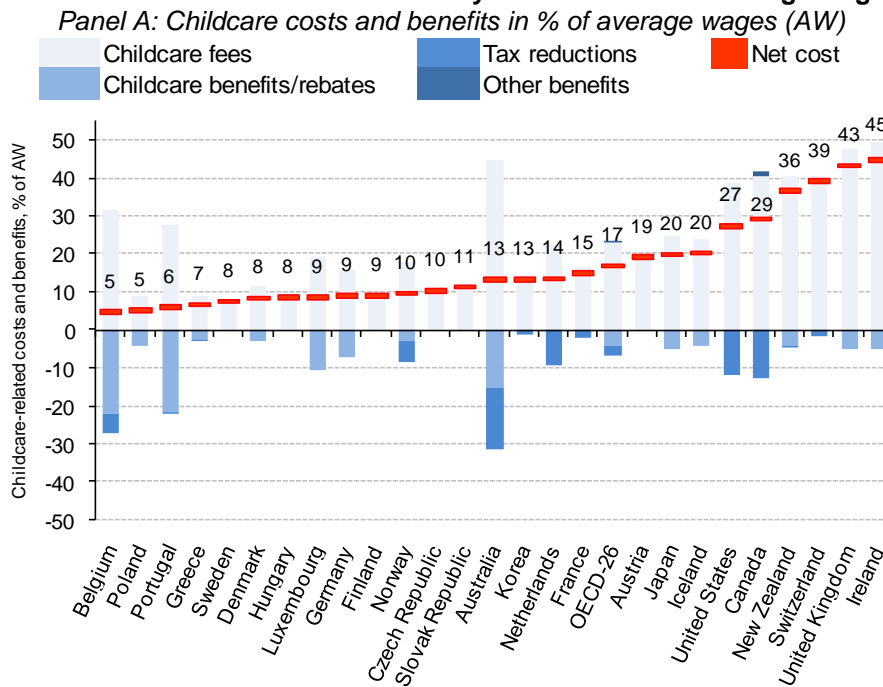
Notes: 1) Data for children aged 0-2 concern 2008; 2) Data for 2008 in Korea; 3) Data for children aged 0-2 concern 2009; 4) Data for children aged 0-2 concern 2005.

Source: OECD [Family Database](#) >PF11.

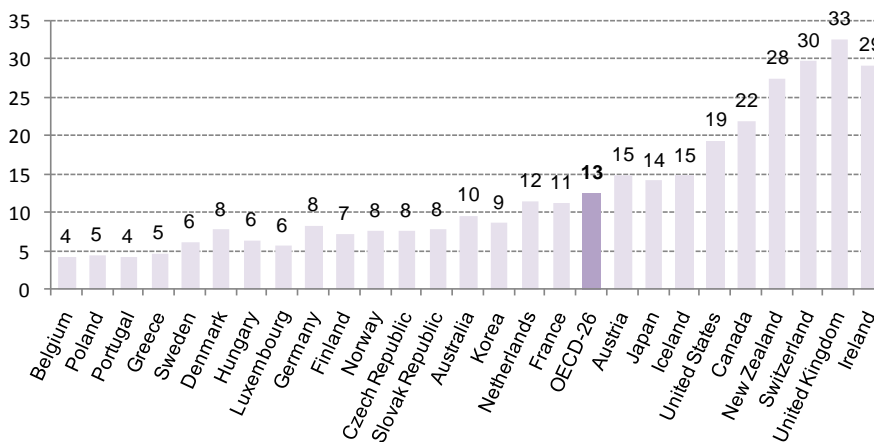
### Use of formal childcare services depends on childcare fees

- Countries provide a range of tax reductions and cash benefits aimed at helping parents reduce the net cost of purchased childcare. Nevertheless, even after accounting for government support, in many countries overall costs remain high.
- For dual-earner couples with earnings at 167% of the average wage, the net childcare cost for two children in full-time care is around 17% of earnings. However, there are wide cross-country variations (*Panel A*). Net childcare costs are low in countries where gross fees are relatively low but also in Belgium and Portugal where there is considerable childcare benefit support. By contrast, centre-based formal care is most expensive for working couples in Switzerland and most English-speaking countries.
- Childcare costs for families with two children are on average 13% of overall family net income (*Panel B*)

### Net childcare costs for a dual earner family with 167% of the average wage, 2004



### *Panel B: Childcare cost in % of family net income*

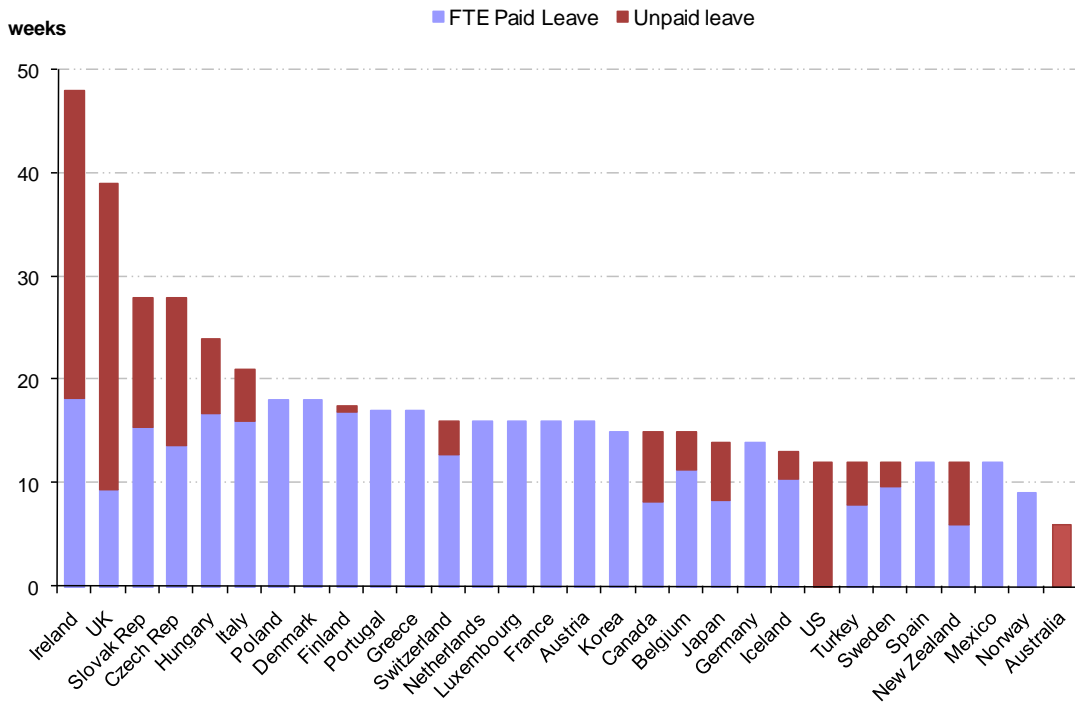


Source: OECD Family Database >PF12.

## Parental leave policies vary across countries

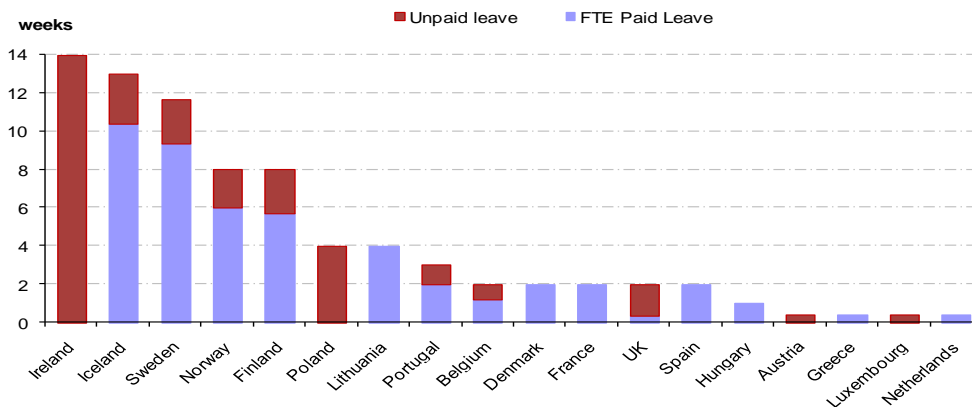
- Maternity leave varies widely across OECD countries both in terms of duration and of financial support. All OECD countries, except Australia and the US offer financial support to mothers during some part of the protected leave period. On average, countries provide 18 weeks of maternity leave of which 13 are paid at 100% of last earnings (full-time equivalent).

**Maternity leave in a FTE basis**



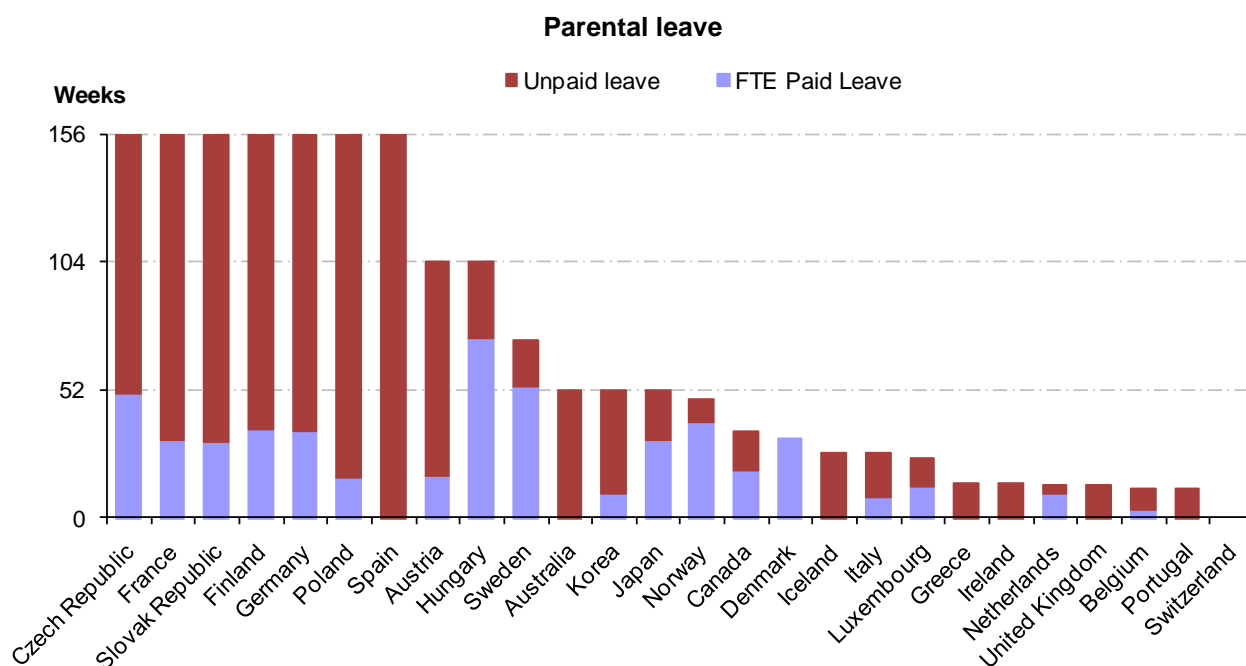
- Legal entitlements for paternity leave or father's specific quota of parental leave exist in just over half of OECD countries. It is considerably shorter than maternity leave, at two weeks or less in most countries. In Ireland, fathers can enjoy up to 14 weeks of parental leave, but they receive no financial support during this period. On the other hand, Nordic countries offer shorter periods of absence but with income support.

**Paternity leave<sup>1</sup>**



1) Information includes the entitlement for paternity leave in a strict sense and the father quota in some parental leave regulations (for example, in Finland, Iceland, Ireland, etc.).

- Many OECD countries also offer parental leave, i.e. employment-protected leave for parents, which is often supplementary to specific maternity and paternity leave periods. Prolonged periods of parental leave (2 or more years) can be taken in Austria, the Czech Republic, France, Finland, Germany, Hungary, Norway, Poland, the Slovak Republic and Spain. Financial support, however, is not provided during the whole period.
- Entitlement to the parental leave period is generally individual. However, a few countries have introduced “father quotas” in parental leave systems (e.g. Iceland, Norway and Sweden), i.e. a period of leave that is for the exclusive use by fathers on a "use it or lose it" basis.



Source: OECD [Family Database](#) >PF7.

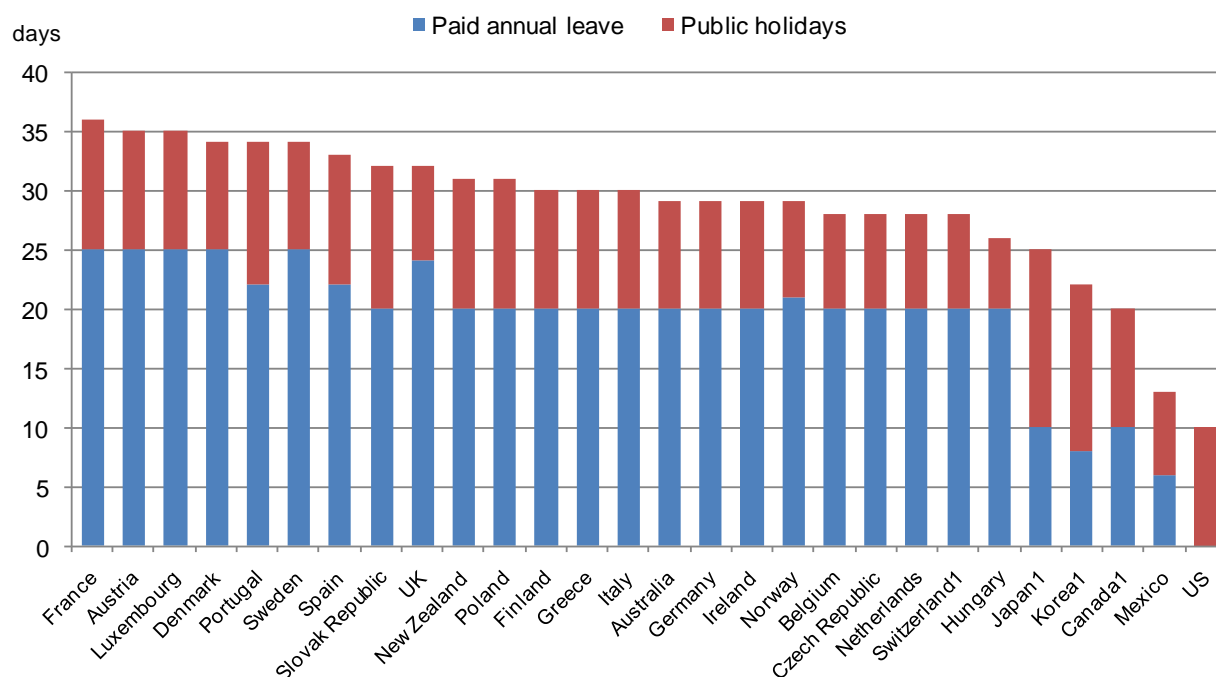
## Additional leave entitlements for working parents

- In addition to maternity, paternity and parental leave entitlements, working parents can be entitled to further days of leave to help them match their work and family life commitments. These provisions are not limited to the initial period upon childbirth. In fact, some of these “family-leave” provisions are specifically intended to provide to elderly people in the household.

## Days of paid annual leave

- Most OECD and EU countries set a statutory minimum of annual paid leave for those in employment. The US is the only country where such legal minimum does not exist at the federal level. In practice, European workers are typically entitled to around 30-35 days per year of paid annual leave, when including public holidays. In Japan and Korea, the relatively high number of public holidays implies that the overall number of days of annual paid leave is comparable with practice in Europe.

Statutory and collectively agreed annual leave, 2007



Notes: 1) In Canada, Japan, Korea, Mexico and Switzerland the length of the minimum holiday entitlement increases with tenure. Figures presented here correspond to the minimum number of days.  
Source: OECD [Family Database](#) >PF9.

## Leave entitlements to care for a dependent relative

The large majority of OECD countries provide additional entitlements towards leave to care for sick children or dependent relatives (Table 1). There are no statutory additional leave entitlements in the US at federal level, but such provisions can be enacted by States. For example, in 2004, the State of California enacted a comprehensive paid family law that provides covered workers up to six weeks of partially paid leave that can be used to care for seriously ill children, parents or partners.



**Table 1. Additional leave entitlements to care for a dependent relative, 2006/07.**

<i>Country</i>	<i>Purpose</i>	<i>Statutory / Criteria</i>	<i>Duration</i>	<i>Payment conditions</i>
Austria	To care of sick children or dependent relative  To nurse terminally ill family members or very seriously ill children		10 days per year to care of sick children and 5 days for other dependants/family member needing care Maximum six months leave	Paid at 100 % of previous earnings  No payment
Belgium	To care of a severely ill family member		From to 12 months (up to 24 months in case of part-time leave). Must be taken in blocks of one to three months	Paid at same level as parental leave.
Canada	To care of immediate family members  To care of a family member at significant risk of death in 9 jurisdictions		3 to 5 days in British Columbia and New Brunswick.; 10 days in Quebec 8 weeks within a 26 weeks period	Unpaid but benefit can be claimed for up to 6 weeks (if person has worked 600 hours in the last 52 weeks) Care benefit
Denmark	To care of a relative at risk of death or a close friend			Care benefit
Finland	To care of sick children under age 10		2 to 4 days but can be repated without fixed limit	Payment depends on collective agreement
France	To care of sick children under age 16  To care of disable or seriously ill children	For serious disability or illness of a child under 20 years	Legally, period of leave can not exceed 3 days. Most collective agreements have specific arrangements (14 days in the public sector). Maximum of 310 days within a period of three years.	Payment depends on the duration of work in the enterprise and on family structure
Greece	To care of sick children  To visit school		Up to 6 days per year per parent; up to ten days per year leave for parents with children needing regular blood-transfusions or haemodialyses.  Four days	Unpaid  Paid at 100% of earnings
Hungary	To care of children under 14 years.		Length varies with age of the child: under one year : unlimited; 12-35 months: up to 84 days per year and child; 36-71 months: 42 days; 6-12 years: 14 days.	Paid at 70% of earnings
Iceland	To care of a dependent relative	No statutory entitlement, but usually stipulated by collective agreement	Around 10 days leave	
Ireland	To care of a dependent/disabled child	12 months of continuous service in enterprise	Maximum of 65 weeks which can be taken either in one or several periods. 3 days of paid leave are also available in any 12 consecutive months, up to a limit of 5 days within a 36 months period in case of serious needs.	Unpaid  Paid at 100% of earnings

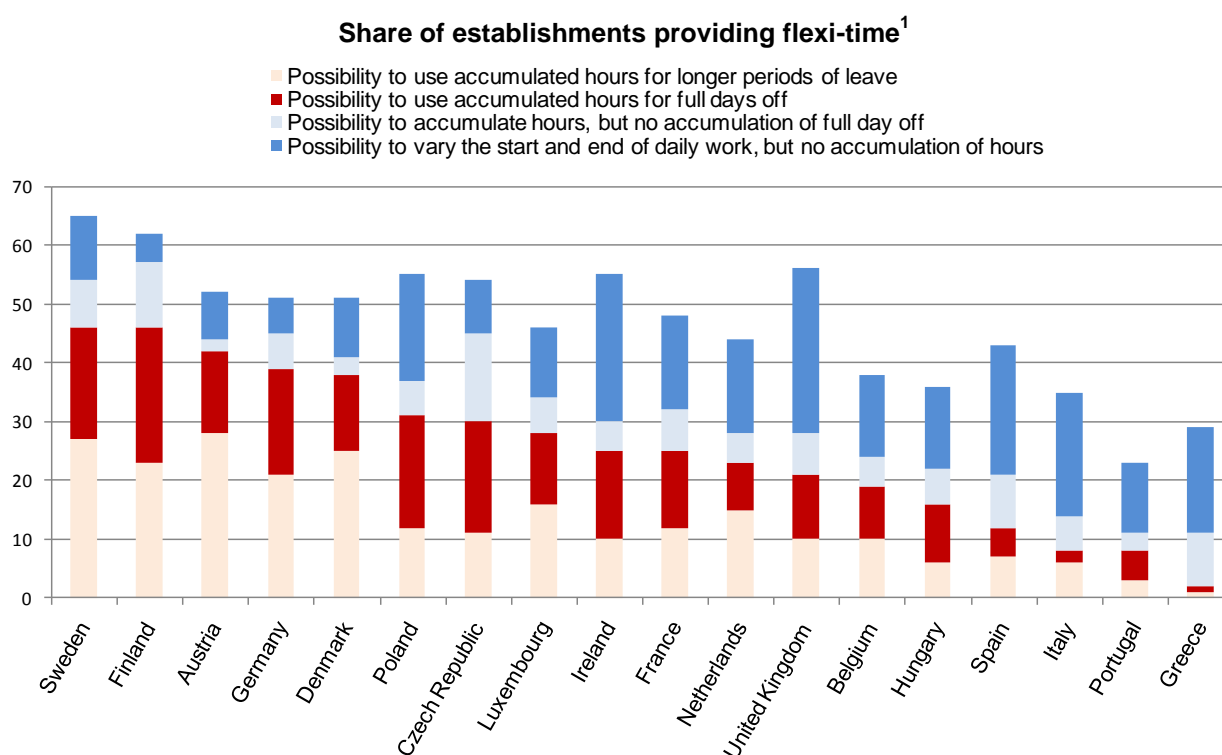
Sources: Moss, P. and M. Korintus (2008), International Review of leave Policies and related research 2006, DTI Employment Relations Research Series, No. 100, <http://www.berr.gov.uk/>; and OECD (2007), *Babies and Bosses - Reconciling Work and family Life, A Synthesis of Findings for OECD Countries*

**Table 1. Additional leave entitlements to care for a dependent relative, 2006/07 (cont)**

<i>Country</i>	<i>Purpose</i>	<i>Statutory / Criteria</i>	<i>Duration</i>	<i>Payment conditions</i>
Italy	To care of sick children		Without limit for a child under 3 years; 5 days a year per parent for a child aged 3 to 8 years 2 years - Fathers and mothers cannot take this leave at the same time.	Unpaid
	To care of serious disabled children or relatives			Paid at 100% of earnings up to an annual ceiling of €36,151.
Netherlands	To take care of a sick child living at home or a sick relative.	Employers can refuse to grant leave if it would seriously harm the interest of the company.	Up to 10 days a year	Paid by the employer at 70% of employee's earnings.
Norway	To take care of sick children	For parents with a child under 12 years, or 15 years if they have more than 2 children. The rights are extended to age 18 if the child is severely or chronically ill.	10 days. Single parents have the right to 20/30 days a year.	Paid at same rate as sickness benefit.
Poland	To care of a family member.	For parents with a child under 8 years, or 14 years if the child is disabled or chronically ill.	14 days per year	Paid at 80% of earnings
	To care of a child.			Paid at 80% of earnings
Portugal	To take care of sick children	Available after parental leave and only if this latter has been taken up. Can only be taken by one parent who must prove that the other partner is employed and/or incapable of working.	2 years, extended to three years when 3 or more children.	Unpaid. Suspension of the labour contract: all rights and guarantees are suspended but the worker's right to return to his/her job is safeguarded.
	To care for sick children.	For parents with a child under 10 years, but no age limit if the child is disabled or chronically ill.	Up to 30 days per year. Family entitlement to be divided.	Paid at 65% of the minimum wage
	To care of older children, spouse or a close relative Adoption leave	For parents of adopted children < 15 years	15 days, plus one day for every second and subsequent child 100 consecutive days of leave	Unpaid, except for workers in the public sector.
Spain	To care of a seriously ill child or other serious family reason.		2 days, extended to 4 days if travelling is required for work. 3 days for central state public sector (5 days if travelling is required). Up to 2 years; possible extension to 3 years for employees of central state administration some collective agreements also provide such extension.	Paid by the employer
	Long term leave or reduction of working hours to take care of a dependant relative			Unpaid
Sweden	Temporary To care of sick children.	Family entitlement for parents with children under the age of 12, and for children between 12 and 15 years with doctor's certificate. Can also be used if the regular care giver is sick. It also can be offered to someone outside the family to care of a sick child if parents cannot miss work.	120 days per child per year	Paid at 80% of earnings
United Kingdom	Time-off for the care of dependants	Right for time-off in case of unexpected or sudden emergency (including a dependent falls ill or has been injured, or 'to deal with an unexpected breakdown of care arrangement').	Not defined precisely: 'a reasonable amount of time off'	Unpaid

## Flexibility in working time

- Sweden, Finland, Austria, Germany and Denmark are the countries with the highest proportion of firms providing flexibility in working time arrangements<sup>1</sup>. The percentage of companies providing flexi-time is also relatively large in Ireland and the United Kingdom, but in these countries flexibility is often limited to varying working hours without the possibility to convert accumulated hours in holidays. In Greece and Portugal employers are the least inclined to allow flexibility of working hours.
- In the United States, 37% of employers with at least 50 employees allow most of their employees to vary the start and end of work periodically (Galinsky et al., 2008). Most employees work in companies where flexitime schemes are available only to a limited number of employees: generally those in more senior positions. Women are less likely than men to have access to flexitime, but parents – including single mothers – are more likely to have access to workplace flexibility (Golden, 2001, 2006; McCrate, 2005).



Notes: 1) Establishments with 10 or more employees; all economic sectors are covered, except for agriculture.  
 Source: OECD [Family Database](http://www.oecd.org/els/social/family/database) >LMF10.

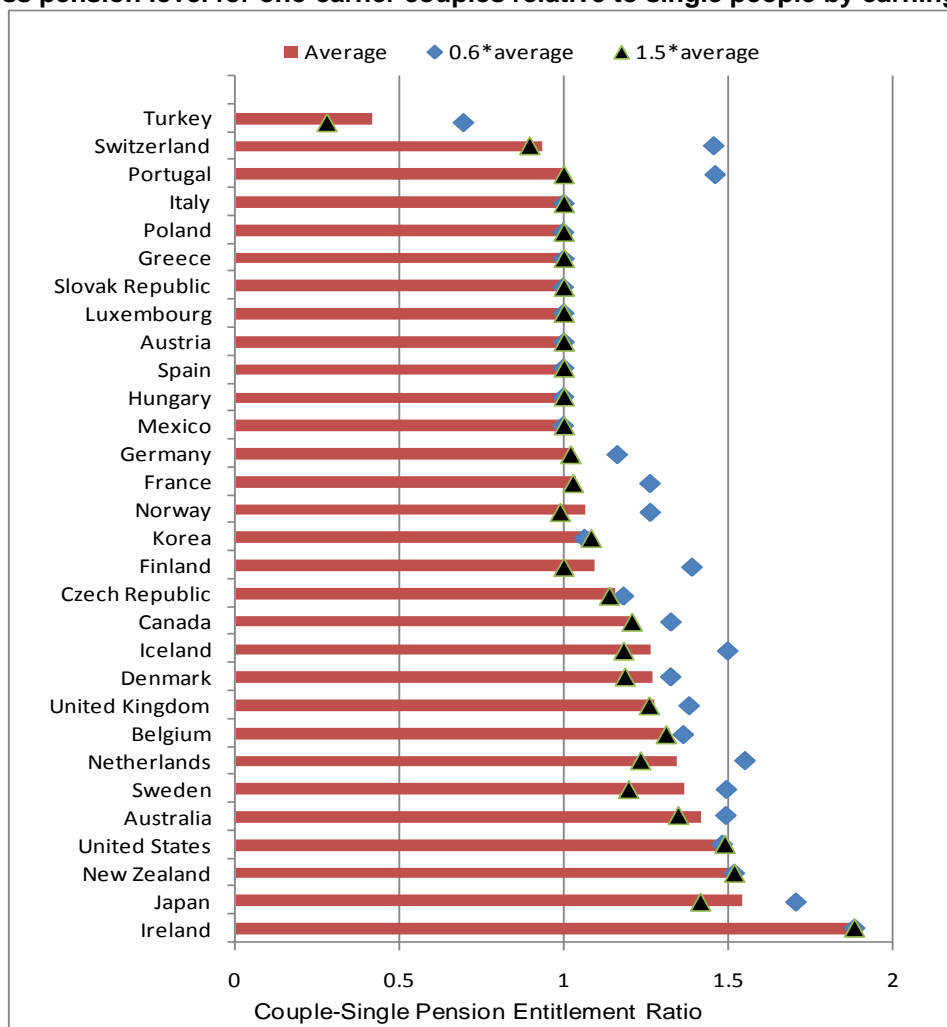
<sup>1</sup> Annex LMF10 of the Family database provides summary information on the nature of flexible working time legislation across countries ([www.oecd.org/els/social/family/database](http://www.oecd.org/els/social/family/database))

## Impact of marriage on pensions

### *Pension treatment of couples and single people*

- Just under half of OECD countries do not grant a pension advantage to one-earner couples compared with single people at the same earnings level, i.e. the gross pension level for one-earner couples with average earnings is similar to that of single people with the same level of earnings (ratio equal to one).
- However, in 17 OECD countries (Australia, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Iceland, Ireland, Japan, Korea, the Netherlands, New Zealand, Norway, Sweden, the United Kingdom and the United States), there is a clear pension advantage for one-earner couples compared with single people on the same level of earnings (the ratio is larger than 1).

### Ratio of gross pension level for one-earner couples relative to single people by earnings level

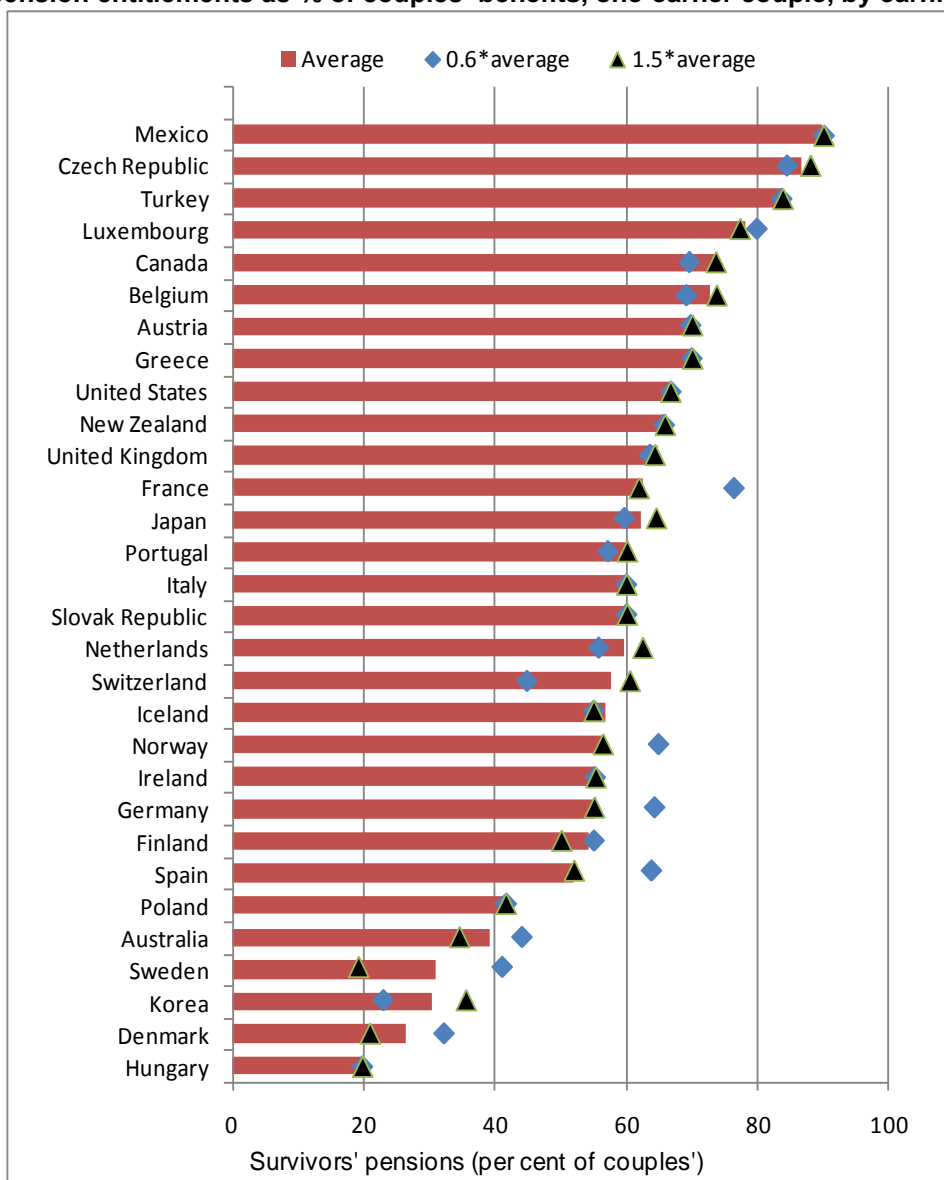


Source: OECD pension models

### Survivor benefits

- Most pension schemes in OECD countries pay benefits to survivors. The analysis here focuses on entitlements on a death during retirement, not before. It also assumes that the surviving spouse is of pensionable age, and so may well also have an entitlement in his or her own right.
- The Figure below shows the results for the first family type – a one-earner couple – at the three different levels of earnings. The survivors' benefit for this family type averages about 59% of the value of the benefit when both partners were alive.

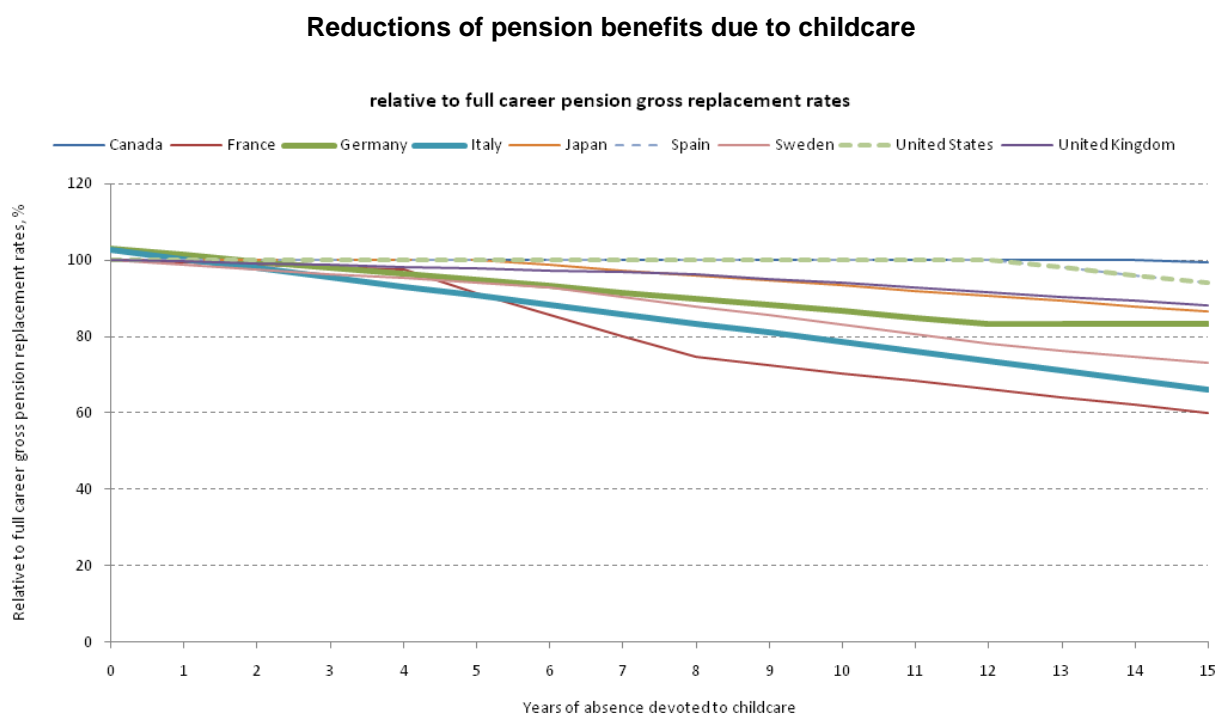
**Survivors' pension entitlements as % of couples' benefits, one-earner couple, by earnings level**



Source: OECD Pension Models

## Pension entitlements and childcare breaks

- Many OECD countries grant pension credits to women who interrupt their careers to raise children. These schemes vary in terms of beneficiaries of credits, length of credited periods, funding sources and policy objectives.
- In countries where such credits do not exist, compensation for caring periods is often provided through other redistribution mechanisms such as basic universal pensions granted independently of contributions, means-tested benefits, or, as in the United States, through a benefit formula which automatically excludes a number of years on low or without earnings. For these countries, career breaks, including for childcare, are therefore often offset, especially for low earners.



Source: OECD Pension Models

**Table 2: Rules for childcare credit mechanisms in OECD pension systems**

Country	Period of care	Crediting
Australia		no specific credit; some protection offered though means-tested age pension
Austria	Up to 4 years per child	Contribution based on salary of € 1 350 per month is paid (by government), but only 2 years per child are covered years and count towards the qualifying period for pension entitlement
Belgium	Maximum of 3 years	This credit is granted to all the employees who benefit the <i>tijdskrediet</i> which is a right for the employees that have worked for at least one-year for the same employer during the 15 months preceding the application. Earnings before the childcare breaks are counted in the benefit formula. These years count in the numerator of the benefit formula.
Czech Republic	Periods caring for children up to the age of 4	These care periods are excluded from the averaging periods for calculating the assessment base. Up to three years early retirement is possible depending on the number of children.
Denmark	Up to one year in receipt of parental benefits	Double the amount of contribution is paid for ATP. The beneficiary will pay 1/3 of the contribution, 2/3 is paid by the government/municipality. Those out of the labour market caring for children beyond the maternity period typically switch to another scheme which also carries an ATP contribution. There are no credits or contributions for occupational pension schemes for periods out of paid work caring for children.
Finland	Periods of maternity (11 months)  Periods caring for children under age 4	Pension accrues based on the 1.17 times the salary on which the family benefit is based.  Until the child is 3 and for unpaid periods of care by either parent during which child home-care allowance is paid, pension accrues based on fictitious salary of € 556.60 a month (2006) and contributions are paid by the State. During parental leave, pension contributions are not due and pensions' accrual is paid by the earnings-related pension system. These periods are not included in the income test for national pension.
France	Periods caring for children under age 16 (at least 9 years)  Periods caring for children under age 3 (maximum 3 years for the first two children)	Two years covered per child in the public scheme, whether continuing to work or not during that time (MDA).  Both parents receive a 10% increase in final pension payout from the public plan if they have raised 3 or more children.  Credits based on the minimum wage are given for family whose earnings are under the €17,600 threshold for the first child (30% more for subsequent children). (AVPF)  In the ARRCO scheme, pension rights are increased by 5% for each dependent child. Pension rights accrued after 1.1.1999 are increased by 8% if the person had 3 or more children.

Germany	3 years per child  Periods caring for children up to age 10	Contributions based on average earnings (one pension point) are paid by the government.  These years count toward the number of years needed to qualify for a pension. If people work and contribute when their children are under 10 or if at least two children under 10 are parented, they receive a bonus of up to 0.33 pension points per year. However, this cannot result in a total accrual exceeding one pension point per year.
Greece	1 year for the first child, 2 years for each subsequent child to a max of three children	This period only counts towards the qualifying conditions for retirement, not for the calculation of benefits.
Hungary	Periods with child raising-related benefits (maximum of 3 years per child)	Contribution after the benefits is paid by insured and government. The periods are not calculated as creditable period if this is more advantageous for the insured.
Iceland		The residency-tested basic pension and the targeted schemes automatically protect women who leave paid work to care for children. There are no specific credits for childcare absences. The occupational pension funds themselves make no provisions for women who must leave work to care for children. The government social assistance scheme contains benefits for parents (men or women) who must take care of children with long-term illnesses or disabilities. Such benefits are also provided in cases where people must take care of close relatives (e.g. adult son or daughter taking care of aged parent).
Ireland	Periods caring for children under 12 (maximum of 20 years)	Periods are excluded from the averaging periods for calculating pension benefits.
Italy	1 year for one or two children, 2 years for three or more children	The pension is increased for mothers by giving them a more generous transformation coefficient. For mothers of one or two children this is the transformation coefficient of their actual retirement age plus one year. For three or more children this is the actual retirement age plus two years. Mothers have also the choice to retire early instead of having a higher pension.
Japan	3 years (if additional children are born while caring for a child, the period is extended until the last child turns 3)	Contributions are to be made fully based on the earnings before the leave and in calculating the benefit and qualifying conditions the entire period is credited. In case parents work part-time when caring for children, pension benefits will be calculated based on their full-time previous earnings
Korea	1 year to 50 months according to the number of children born after January 2008	A person who is not working due to childcare can be exempted from payment of contributions during the period requested. The insured period can be increased by paying the exempted contributions (total, including the one for employers) after resuming work. An insured woman who gives birth to a child (except for the first child) after January 2008 can get pension credits.



Luxembourg	<p>2 years for 1 child and 4 years for 2 children (Baby years)</p> <p>Periods caring for children under age 6</p>	<p>Pensionable earnings are based on pay immediately before the baby years are claimed. The period counts as qualifying conditions and enters in the flat rate component of the pension formula. Employees who could not claim baby-years due to insufficient contribution period have the right to a special monthly allowance in retirement of EUR 89 per child.</p> <p>As non-contributory periods, they are counted towards the qualifying conditions for an early retirement pension and the minimum pension.</p>
Mexico		<p>There are no credits for periods spent out of paid work due to childcare responsibilities.</p>
Netherlands		<p>In the basic old age pension scheme, periods out of paid work are automatically covered. In the occupational schemes, there are no credits for childcare periods during which people are out of paid work but the accrual of pension rights continues over remaining working years. However, many schemes allow voluntary contributions to cover the aforementioned periods of absence.</p>
New Zealand		<p>Eventual public pension entitlement is not affected by periods out of paid work for caring purposes.</p>
Poland	<p>Periods of maternity leave (18 weeks for first child, 20 weeks for the second child and 28 weeks for multiple births)</p> <p>Periods of parental leave (3 years per child)</p>	<p>Contributions based on the maternity benefit (average wage over the past 6 months) are paid by the government.</p> <p>Contributions based on the minimum wage (18% of national-wide average earnings) are paid by the government. All periods for which contributions are paid are qualified for minimum pension guarantee.</p>
Portugal	<p>Periods of maternity leave</p> <p>Periods caring for children under age 12 (maximum 3 years) working part-time</p>	<p>Credits based on pay in the six months before the second month of the start of the leave are given.</p> <p>Periods can be treated as if working full-time.</p>

Slovak Republic	Periods caring for children up to age 6	The assessment base for pensions is 60% of earnings prior to the period spent caring for children. In the first half of each calendar year, it is based on average earnings two years before the absence started. In the second half, the calculation uses earnings in the calendar year immediately before the absence.
Spain	Maternity period 2 years of childcare	Maternity period is covered. In addition, two years out of the labour market looking after children count towards eligibility for a pension benefit.
Sweden	Periods caring for children under age 5 Periods of parental benefits (16 months)	Contributions based on wages which are most favourable are paid by the government. This is, however, up to the earnings ceiling in the pension system. Parental benefits paid to people on parental leave from work are also considered pensionable income. Under the ITP occupational plan, there is a recommendation that the employer contributes to an employee's pension during periods of up to 11 months for parental leave
Switzerland	For children under age 16	Years of childcare (for children under age 16) are credited in the public scheme as if earnings had amounted to three times the minimum pension of the year in which the caring parent retires. For 2006, this was CHF 38 700, corresponding to 53% of economy-wide average earnings. If the caring parent is married during the caring period, the credits are split equally between the spouses. Credits for childcare are not granted in occupational schemes.
Turkey		There is no credit for periods spent out of paid work caring for children.
United Kingdom	Periods caring for children under age 16 Periods caring for children under age 6	Periods are counted to reduce the number of years required for a full pension under the basic pension. Caring parents are deemed to have earned at the low earnings threshold for the state second pension.
United States	No credit for childcare	

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