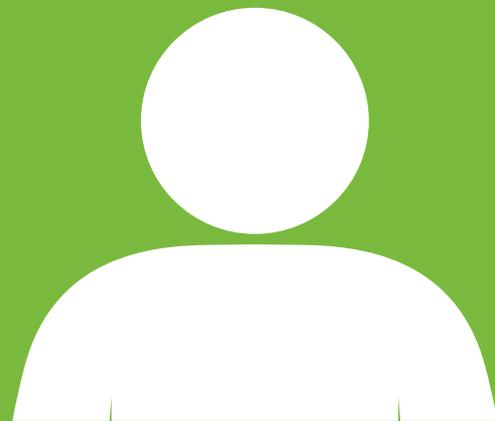


Family policy in Sweden 2008



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Introduction

Sweden is often commended for its generous family policy aimed at supporting the combination of work and children. It is seen as a main reason for a relatively high fertility at the same time as women have entered the labour force and presently work almost to the same degree as men (see for example Sundström and Stafford, 1992, Duvander, Ferrarini, Thalberg, 2006, Andersson, 2007, Oláh and Bernhardt, 2008). It is also seen as a major reason for low poverty among children in Sweden (Ferrarini, 2003). Sweden was the first country in the world to introduce paid parental leave also to fathers in 1974, and the policy has since continuously been reformed to strengthen the gender equality dimension. Swedish family policy is based on the dual-earner family and asserts the same rights and obligations regarding family and labour market work for both women and men.

Although family policy has existed during a long period with the consistent ambition to support the dual-earner family, it should be seen as part of other political and societal developments in Sweden, not least demographic and economic developments. Currently, Swedish social insurance, with parental insurance as an important part, is being re-evaluated to fit a changing society with increasing globalisation and migration, as well as a changing labour market. New reforms may be motivated by other goals and ideologies, and may thus be seen as contradictory to earlier reforms. This fits well with a general development in many countries' family policy towards a pluralistic policy that tries to serve several, sometimes conflicting, goals (Duvander et al. 2006). Nevertheless, Sweden is still a good example of a dual-earner family policy model with strong support for dual earners and low general family support (Ferrarini, 2006). Dual-earner support is income-related and individual, which together with individual taxation signals several advantages to having *two* incomes in a family rather than *one* high income.

The purpose of this report is to give a brief overview of Swedish family policy and its consequences in the specific Swedish context. It is important to stress that the same family policy implemented in another country, with a different history, culture and population composition, is likely to lead to other consequences (Neyer and Andersson, 2007). Nevertheless, only by looking at the success and failure of other countries' attempts to attain the aspired goals, can policy makers make informed choices about the future. The report starts with a short description of Sweden's demographic situation with the focus on the fertility dimension. Then the labour market situation for women and men in Sweden will be described, after which the main topic of family policy will be taken up. A general background of parental insurance as part of social insurance in Sweden will be described as well as the different parts of family policy with the focus on parental leave benefit. The report will conclude with Swedish developments associated with family policy, and its future challenges.

Demographic situation

Out of the 9 million people living in Sweden, just under a quarter of the population are children under 19 years of age. Less than a fifth are over 65 years old, a proportion that will increase in the coming years. However, only in the long run will the oldest old in the population increase considerably, with an attendant increase in the need for service and healthcare (Statistics Sweden, 2006a).

The foreign-born population is just over one tenth (13 percent) and immigration has been large in recent decades. It has been dominated by refugee and family migration, as well as labour market migration mainly from the other Nordic countries and more recently Eastern Europe. The large immigration has resulted in a considerable proportion of children born in Sweden having roots in other countries; as many as one fifth of all children have one or two foreign-born parents. This is a relatively new phenomenon as Sweden historically has had minor migration flows (see www.scb.se for annual migration flows).

A large proportion of the Swedish population is unmarried. For example, as many as 53 percent of women, and 61 percent of men aged 35 are unmarried (www.scb.se). The reason is that cohabitation without marriage is widespread and is the dominant form of union among young people. This can be exemplified by the fact that the mean age at first marriage (32 for women and 35 for men in 2005) is higher than the mean age at first childbirth (29 for women and 31 for men in 2005, Statistics Sweden, 2007a)). The development of cohabitation as a substitute for marriage started as early as the 1960s. A very small proportion of young men and women start co-residential unions in other ways than through cohabitation (Duvander, 1999). It should be noted that it is not common to enter parenthood as a lone parent and that most children are born into cohabiting unions. Cohabiting unions, also with children, are however more likely to break up than marriages.

Out of all households, a third consists of households with just one member (see table 1). The single-person households include both individuals that have not yet entered unions and those who have experienced separation or loss of a partner through death. Almost another third of households consists of individuals living together with a partner but without children; these include households who have not yet had children and those whose children have already left the parental home to live on their own.

Table 1 Family units by type in 2005

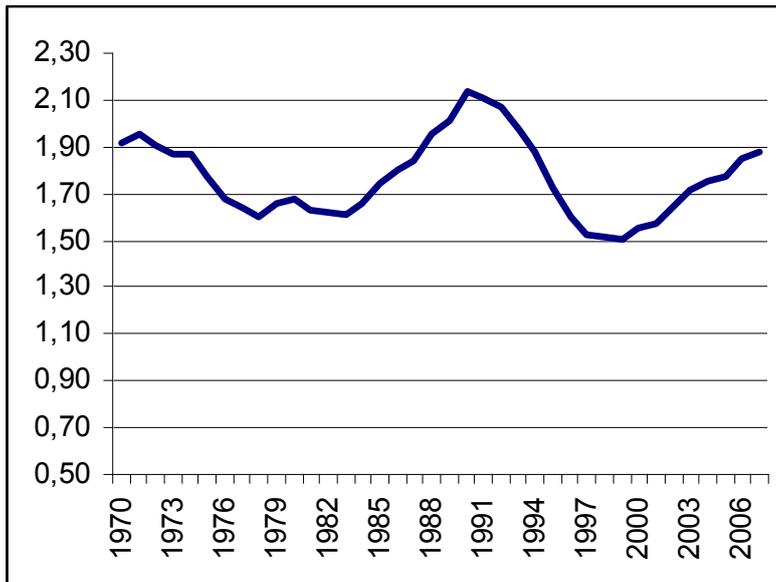
Type of household	Percent
Cohabiting without children	27
Cohabiting with children	19
Single woman with children	4
Single man with children	2
Single woman without children	18
Single man without children	17
Other family units	13
	100

Note: Children are defined as children in ages 0–17.

Source: Survey of Living Conditions, Statistics Sweden, Statistics Sweden 2006b.

The most interesting demographic aspect in this context is the Swedish fertility. While many countries have had a declining fertility trend during the 1960s and onwards, this is not the case for Sweden (see figure 1). The Total Fertility Rate of Sweden has instead been called a roller coaster fertility (Hoem and Hoem, 1996) and has sometimes been seen as the success story of a generous family policy (Bernhardt, 1993). The ups and downs have been closely related to the economic business cycle during recent years and have been termed pro-cyclical fertility (Andersson, 2000). Fertility went up at the end of the 1980s when the economy was good, unemployment being almost non-existent, and also the length of parental leave was extended a number of times. The parental leave system in Sweden is earnings-related, and the benefit is dependent on recipients being active in labour market work prior to having children. Young women and men who have children before becoming established in the labour market will receive a low flat-rate benefit, which provides a strong incentive to enter the labour market before having children (Sundström and Duvander, 2002). During the 1990s Swedish economy entered into a deep recession. Young people became unemployed or went into higher education, two activities that are not easily combined with childrearing in Sweden. During the past few decades, it seems that both men and women have postponed having children until they have achieved a relatively high income (Hoem, 2000, Duvander and Olsson, 2001, Andersson, Duvander and Hank, 2005). The pro-cyclical pattern of fertility and economic business cycle is not in any way general; for example, Finland, – a country with many similarities but with good opportunities to combine childrearing and unemployment – has a different pattern.

Figure 1 Total Fertility Rate for Sweden, 1970–2007



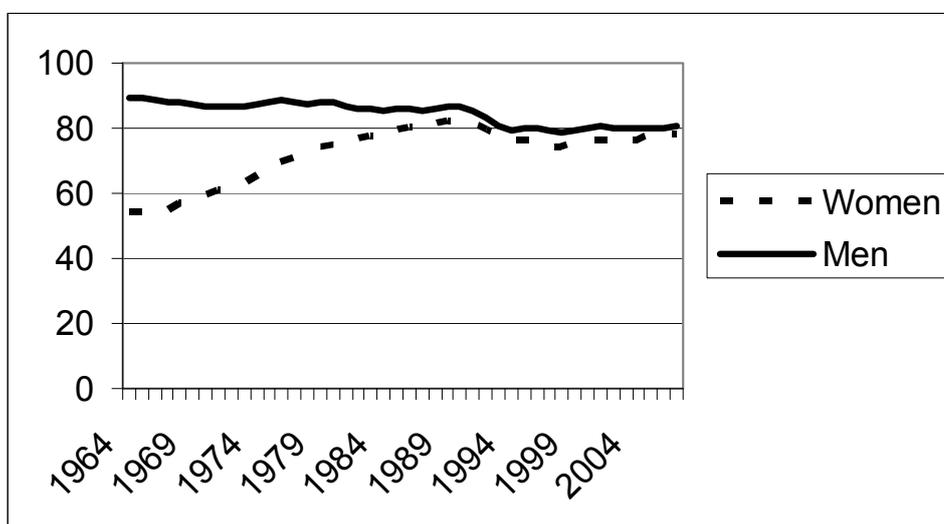
Source: Statistics Sweden

Furthermore, Sweden has kept a strong two-child norm that seems unthreatened so far (Statistics Sweden, 2002). The number of large families with more than two children may be decreasing somewhat as the mean age at first birth increases, but so far there is no trend of women ending up with only one child. Also the share of childless individuals at the end of the reproductive years is relatively stable, both for men and women. Thus, behind the roller coaster fertility we find a stable pattern of two-child families and stable cohort fertility. However, the age at which to have children has changed both for women and men.

Work

The common and expected life cycle pattern of young men and women in Sweden today is to first become established in the labour market and then have children (Hoem, 2000). Most women keep their position in the labour market when they start childbearing and after a period of parental leave both women and men return to the labour force. It is thus unusual for women to end their employment when they start a family. Instead many women work long part time, i.e. more than 30 hours per week.

Figure 2 Labour force participation, Sweden, 1964–2007



Source: Labour force surveys, Statistics Sweden, calculations by Ann-Christin Jans.

During the 1970s and 1980s female labour force participation increased, at the same time as the public sector expanded. Many women worked in the growing public sector and the Swedish labour market is considerably gender segregated. It should be noted that even before the 1970s, women in Sweden had jobs and that the housewife period during the 1950s is often considered to be exaggerated and more of an exception than a suitable point of reference (Nermo, 1999). Nevertheless, in the 1970s the demand for female labour increased at the same time as the possibilities for combining work and family increased. Also, at this time a gender equality ideology was established in Sweden and support for women's independence and for their right to be able to support themselves was growing (Stanfors, 2003, Klinth, 2002).

The major factors that made it possible to combine work and children for both men and women were the introduction of parental leave insurance and the expansion of day care services. A number of labour market regulations covering all employed individuals and facilitating the combination of work and children were also important. All employed individuals have a right to

temporary leave of over two years (depending on how parental leave is used) for the care of newborn children (Parental Leave Act, 1995:584, see www.jamombud.se). The employer may not subject an employee to unfair treatment, for instance regarding promotion or salary terms while s/he is on parental leave. Furthermore, all employees with children under age 8 have a right to reduce their normal working hours to 75 percent with a corresponding cut in income. All employees also have the right to temporary leave when the child is sick and cannot attend day care. Most regulations are entirely gender neutral but women have some specific rights around the time of delivery. Most importantly, women have the right to 7 weeks leave before and 7 weeks leave after delivery. It is usual to work a bit longer than that, but most women leave work some time in the month before the delivery.

Table 2 Employed parents with children (0–17) by length of working hours, number of children and age of the youngest child in 2005. Percent

	Women		Men	
	Full time	Part time	Full time	Part time
1 child				
0 years	82	18	95	5
1–2 years	57	43	92	8
3–6 years	58	42	91	9
7–10 years	71	29	94	6
11–16 years	70	30	90	10
2 children				
0 years	73	27	92	8
1–2 years	50	50	93	7
3–6 years	52	48	94	6
7–10 years	63	37	95	5
11–16 years	68	32	95	5
3 children				
0 years	60	40	96	4
1–2 years	52	48	91	9
3–6 years	47	53	93	7
7–10 years	56	44	95	5
11–16 years	66	34	96	4

Source Labour force surveys, Statistics Sweden, Statistics Sweden 2006b.

Even though rules regarding parenthood apply to men and women equally they are in general utilized more by women than men. For example, it is common among mothers to reduce work hours during the child's first years (see table 2). Around half of all employed mothers with children in pre-school ages reduce their working hours to part time while less than a tenth of fathers do so. Mothers with more than one child do this more often than one-child mothers, while there is no clear pattern among fathers. It should be noted that most parents on parental leave are included among the employed.

Family policy

Family policy is an important element of politics in Sweden, in part because it is intertwined with labour market policy. Perhaps the most important underlying principle with strong political consensus is the idea that as many individuals as possible should be employed. To participate in the labour market and be able to support oneself is often mentioned as a basic right for all individuals, which of course also benefits the economy of the country. This is of great significance also for family policy.

Family policy objectives have changed somewhat during periods of different governments, but the basic ideas are that the policy should promote good economic living conditions for all families and facilitate the combination of work and children for all women and men. To attain good economic living conditions means that special attention must be paid to vulnerable families who may need more support. The combination of work and family is a goal that is intertwined with the goal of gender equality. The present government also emphasizes the importance of choice and the opportunity to find individual solutions for families.

Most policies in Sweden are based on residential rights rather than citizenship rights. In the specific case of family policy this means that family policy applies to all individuals permanently residing in Sweden. For example, if a family with children under age 8 moves to Sweden the parents will have the right to parental leave even if the children were born elsewhere.

Family policy goals are attained by various means but the most important are:

- Day care centres and after-school services
- Parental insurance
- Child allowance and other benefits

I will start by mentioning the day care situation. Municipalities have the responsibility to provide pre-school (often day-care) and school-age childcare for children in ages 1 to 12 so that parents can work or study (Swedish National Agency for Education, 2006). Day care exists so that parents can work, but it also has a strong pedagogic goal (Bergqvist and Nyberg, 2002). Personnel are generally well educated for their profession, and the pedagogic activity has always been in focus. In addition, day care is a guarantee of adequate living conditions for marginalized groups, for example, by offering social contacts, breakfast and lunch. At the beginning of the 1970s it was decided that all 6-year-old children should be offered free day care that was also preparatory to school a year later. This was the start of a long line of programs expanding day care. The goal of the expansion was that all children over age 1 with working parents should be

offered day care. Later the goal was expanded to include all children, also of parents who were unemployed, studying, on parental leave or for other reasons not in the workforce (Duvander, 2006). Today, a place in day care is to be offered “without undue delay”, that is within 3–4 months, by the municipality (Swedish National Agency for Education, 2006).

In 2007, 78 percent of all children in ages 1–3 participate in day care as do 98 percent of all children in ages 4–5 (www.skolverket.se). Parents’ educational level or country of birth do not affect participation rates. Also regional differences are minimal (Hank, Andersson and Duvander, 2004). Today one can talk about day care as a universal part of childhood in Sweden. The debate regarding day care revolves around *when* it is suitable for children to start, and *not whether* it is a suitable activity for children (Duvander, 2006). The cost of day care is income related up to a low ceiling and a general maximum rate exists for all municipalities and forms of childcare. Parents’ fees cover around 8 percent of the cost for pre-schools.

The other two components of family policy (parental insurance and child allowance and other benefits) are administered through social insurance. Social insurance covers the entire population and entitlement is based on residency in Sweden. The main components are old-age pension benefits, sickness and disability benefits and benefits to families and children. Social insurance is a major part of the economy and comprises 16 percent of GDP. Contributions come from employers and employees, mainly through different forms of taxation.

A general principle in Swedish social insurance is income replacement rather than flat-rate benefits or means-tested benefits. This principle emphasizes the importance of a stable employment with relatively high earnings. Parental insurance, sickness benefits (including most kinds of disability benefit) and old-age pension benefits are income-related. Another general principle is that benefits and insurances are individual. For example, sick leave insurance cannot be used by a spouse and the level of replacement is not dependent on the spouse’s income. Furthermore, since 1995, half the parental leave benefit period is assigned to the mother and half to the father. If one parent wants to use more than half the period, the other parent needs to sign a form that he or she agrees to the new division. This is often done, as mothers utilize the major part of leave, but it may be seen as an important symbol for shared responsibilities and rights in connection with children.

In addition, some benefits are universal and some are means-tested. Child allowance may be the best example of a universal benefit applying to all families with children. One example of a means-tested benefit is housing allowance. This benefit is based on household income and is thus also an exception from the principle of individual benefits.

Table 3 Social insurance costs in 2007

	Percent of total costs
Families and children	15
Sickness and disability	30
Senior citizens	51
Other payments	2
Administration	2
Total	100

Source: Swedish Social Insurance Agency

Families and children are not the major part of social insurance but make up 14 percent of the costs. Parental insurance makes up 40 percent of the costs for families, while child allowance makes up around 35 percent.

Parental insurance

Parental insurance consists of pregnancy benefits, parental benefit and temporary parental benefit. Pregnancy benefit is an earnings-related benefit that can be used during pregnancy for women in occupations that are considered dangerous during pregnancy. Mainly, this means jobs that are physically demanding. Parental benefit is aimed at the care of newborn children in the home by one of the parents. Temporary parental benefit is mainly leave for care of sick children when the parents have returned to work and the child normally attends day care.

Parental leave benefit

Parental insurance was introduced in 1974 and marked the shift from one-earner families to the encouragement of dual-earner families. The insurance signals that parents should have shared responsibility for their economy and their children. Essentially this means that fathers should take a greater part of child responsibility by using more parental leave. This is related to children's rights to access to both parents. It is also related to gender equality in that fathers' leave facilitates women's return to and involvement in labour market work. The parental leave policy is thus related to the goals of increasing employment levels, gender equality and children's rights.

Currently, parental leave benefit is 16 months long, with 8 months intended for the mother and 8 months for the father. Out of these, two months cannot be transferred to the other parent. In other words, two "daddy months" and two "mummy months" exist. These months are forfeited if not used by the designated parent.

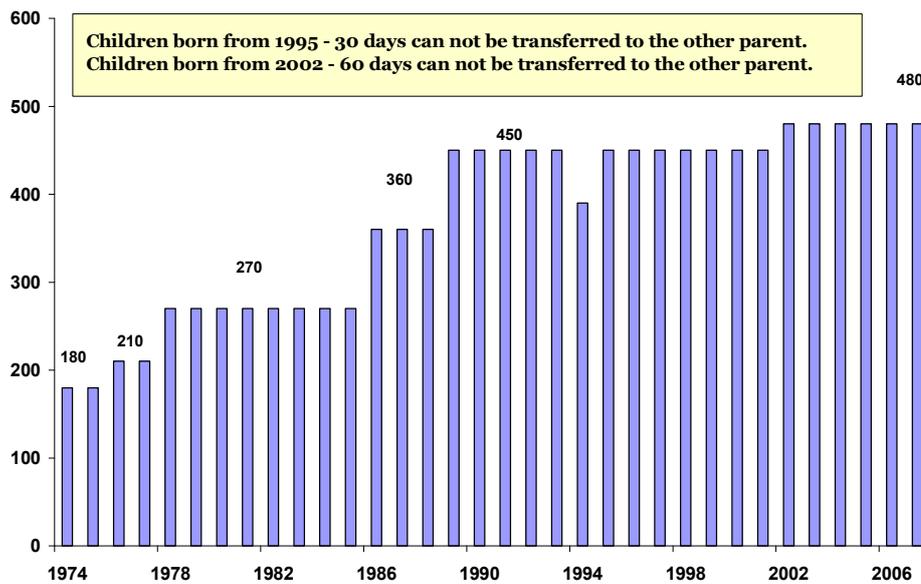
Out of the 16 months, the benefit for 13 of them is income related. Today parents receive 80 percent of their previous income during these months.¹ There is a ceiling to the 80 percent replacement which puts a cap on replacement to high earners. The ceiling is price-indexed but was held constant during the 1990s which meant that an increasing proportion of parents actually received less than 80 percent of their previous income. The ceiling has now been raised and the benefit covers the income of the majority of parents. Also, most employed parents today have collective bargaining agreements with their employer providing extra benefits so that income loss during parental leave will be minimized (Sjögren Lindquist and Wadensjö, 2005). For example, all state employees get 90 percent of their whole income, also above the ceiling.

The additional three months (introduced in 1980) are replaced at a low flat rate of around 18 Euro a day. Parents without employment and no previous income receive a flat rate for the whole period. The difference in benefit level creates a strong incentive to get an income to base the benefit on. In the middle of the 2000s the benefit for parents without previous income was raised to 18 Euro, but the incentive to work before childbearing is still strong.

A parent may use parental leave whenever he or she chooses until the child turns 8 years old. Many parents therefore save part of the leave to extend summer vacations, etc, during the child's preschool years. Employers cannot deny parents the claim to time off for parental leave, even if it may be sanctioned to different degrees by different employers. It is also possible to use the leave part-time and thereby extend the leave period. If one accepts a lower replacement than 80 percent the period at home with the child can be prolonged considerably. This means that the length of parental leave may vary quite a lot (Berggren, 2004). A parent may also use the leave to work part-time, and parents may for instance decide that the mother is home half the week and the father the other half.

¹ By spacing the birth closely, the parents may avoid a reduction in benefit caused by reduction in income between births. This policy is often called speed premium and was introduced in 1980 for parents that continued childbearing within 24 months. In 1986 the period was set to 30 months. As many women reduce work hours, and thus income, after the first birth, the effect of the policy has been reduced birth intervals. See further evaluation of the policy in Andersson, Hoem, Duvander, 2006.

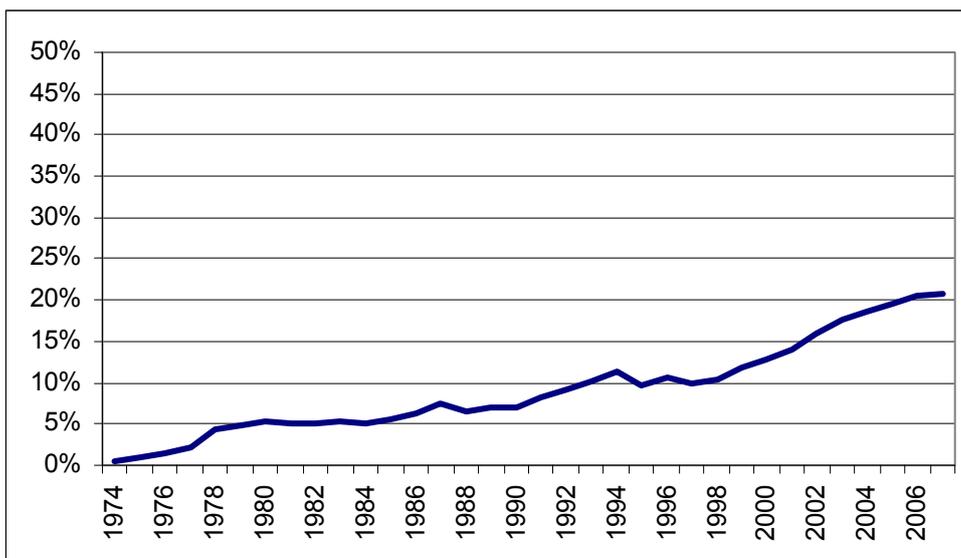
Figure 3 Development of parental benefit days 1974–2007



Source: Swedish Social Insurance Agency

Parental leave was originally (in 1974) six months. When the insurance was introduced it did not meet strong opposition and there seems to have been general agreement that this was an important step towards gender equality (Klinth, 2002). A common argument not to extend it was that it would affect women’s labour market situation negatively in that they would stay out of the labour market longer. However, parental leave has subsequently been extended in steps until in 2002 it became 16 months. The first non-transferable month was introduced in 1995 and the second in 2002.

Figure 4 Fathers’ share of parental leave benefit days, 1974–2007



Source: Swedish Social Insurance Agency

Up until 1995, roughly half of all fathers used no leave at all, but after the introduction of the “daddy month” in that year this share was reduced to a

fifth of all fathers (Sundström and Duvander, 2002, Ekberg, Eriksson and Friebel, 2005).

Most men use one to two months of leave, i.e. the two months that are non-transferable to the mother. However, the fathers' share of all used days is increasing, although the increase is slow. Fathers who have a weak attachment to the labour market, are unemployed, receive welfare benefits or have low earnings, are over-represented among those who use no leave (Nyman and Pettersson, 2002). In other words, fathers who would receive a low benefit during parental leave most often chose not to take leave. Fathers who use a longer leave are the ones with a high income, although the income ceiling in the insurance has discouraged longer leaves (Nyman and Pettersson, 2002; Sundström and Duvander, 2002). As the use of parental leave may be seen as a bargaining process between the parents, the relative income of the mother and the father are also of importance (Jansson, Pylkkänen and Valck, 2004, Sundström and Duvander, 2002). Furthermore, fathers with high education use a longer leave. Also mothers' education and income have a positive effect on fathers' leave use (Sundström and Duvander, 2002, Hobson, Duvander and Halldén, 2006). Studies have also found that other factors are important for how paid leave is divided between parents, not least attitudes and values (Bekkengen, 2002), but also contextual factors such as workplace situation (Bygren and Duvander, 2004; Haas, Allard and Hwang, 2002; Näsman 1992, Hobson et al, 2006). Fathers often mention the workplace and employers' attitudes as reasons not to use parental leave and it seems that small, private, male-dominated workplaces inhibit parental leave use by fathers. The above-mentioned income and educational factors are furthermore likely to act as proxies for differences between professions and types of workplaces.

Table 4 **Reasons for the division of parental leave as stated by parents. Percent**

	Mothers	Fathers
Mother's wish to be home	27	14
Father's wish to be home	1	6
Wish to share equally	3	4
Mother's work	7	5
Father's work	18	21
Family economy	25	29
Other	19	21
Total	100	100

Source: National Social Insurance Board, 2003

It seems that considerations about the fathers' workplace are more important than considerations about the mothers' workplace when parents decide how to share the leave (Duvander and Eklund, 2003). Both parents also often mention that the mother wishes to be home longer which has also been found in earlier studies (Haas, 1992). Another very important factor mentioned by parents is the economy, and as the father most often earns more than the mother this is related to the effect of income mentioned above.

The division of leave in turn seems to have effects on the continued career of women and men (Albrect, Edin, Sundström and Vroman, 1999, Statistics Sweden, 2007b), and it is also associated with continued childbearing (Oláh, 2003, Duvander and Andersson, 2006) and family stability (Oláh, 2001).

New reforms

In the summer of 2008 two new reforms were introduced that will affect the development of parental leave use. First, a *gender equality bonus* will give an extra economic bonus to parents who share the leave more equally. The effect of the bonus is that for families with low income or average income, the financial reasons for the mother to use most leave will be almost eliminated. That is, the income loss that is normally larger when the father is home will be to a large part covered by the bonus. The bonus is not so large as to cover the loss in families with high income, but it will still make a difference even in these families.

Second, municipalities that so desire may offer a *child home care allowance* meaning that one parent may stay at home with children aged one to three instead of using publicly financed day care. The allowance will be up to 300 Euro a month exempt from taxes. This is obviously much less than a normal income, also for part-time work, but will constitute a feasible solution for some families. The expectation is that women will use this benefit, especially women with poorly-paid or no employment. The critique of the reform has been that it will marginalize a vulnerable group of women, excluding them from the labour market. This may be even more important in a country like Sweden where so much is based on having employment.

These two reforms may be seen as reforms in different directions, one encouraging gender equality and shared child-responsibility, while the other emphasizes individual choice and pluralistic solutions. The consequences may be larger variations between families, both regarding economy and gender equality.

Temporary parental benefit

Temporary parental benefit is another important part of parental insurance that facilitates the combination of work and family. The benefit was introduced in 1974 and covers employed parents with children aged 0 to 12. The benefit provides up to 120 days off work to care for sick children. The benefit is income related and covers 80 percent of the normal earnings per day. The ceiling is however lower than that of the parental leave. It can be used for a full day or part of a day. For seriously ill children there is no limit to the number of days.

Even if temporary parental benefit is very generous in length, few parents use a large amount of days. It is most common to use days for children that are 2 to 3 years old and the average number of days used per child is 7; men use on average 5.5 days and women on average 7.6 days. Only for 0.2 percent of children were 60 or more days used. Many of these had serious disabilities or enduring sickness. Fathers use a larger part of temporary parental benefit than parental leave (36 percent), but mothers still use the

major part. Also, mothers' proportion of used days increases with the total number of days used per child. That is, in families where the children need many days at home, the mother uses a larger part of the days (Duvander and Eklund, 2003). There are few studies on the division of temporary parental benefit but worth mentioning is Meyer (2007).

Also, this part of the insurance includes 10 days that are normally used by the father when the child is born (previously called "daddy days" and introduced in 1980). Normally, parental leave cannot be used by both parents at the same time, but these 10 days are aimed at assisting the mother and child during the first period at home. Almost 80 percent of fathers used the 10 days in connection with the birth of the child. A large part of the non-users are fathers who are unemployed and thus have no possibility to use this benefit.

Child allowance and other benefits

Apart from parental insurance, the other major part of social insurance directed at families is *child allowance*. This is a flat-rate benefit that all children residing in Sweden are entitled to. Parents receive approximately 100 Euro per child, with a supplement for families having two or more children. The supplement increases with the number of children. This benefit was introduced in 1948 as a result of a concern over declining birth rates in the 1930s. It was also one of the first measures taken to lay the foundations of a welfare state.

In addition, families may receive a *care allowance for sick and disabled children*. This benefit is aimed at covering additional costs caused by the disability as well as loss of income due to care of the child. For example, care allowance may be paid to compensate reduced work hours or the cost of special transportation. An increasing number of children get care allowance for psychological diagnoses; the majority of these are boys. Mothers are the chief recipients of the benefit.

Housing allowance is not only aimed at families, but the main recipients are single parents, mostly women. It is a means-tested benefit based on household income, the number of individuals in the household, and the cost and size of housing. Housing allowance is of major importance in increasing the income level of many one-parent households.

Finally, *maintenance support* may be paid in the case of parents separating. Maintenance support is aimed at covering the cost of children, as parents still share responsibility for children after a separation. Maintenance support will not be paid to support a former partner/spouse. It may be paid through social insurance if the parent liable to pay child maintenance, i.e. the parent with whom the child is not living, fails to pay. The support may thus be seen as a guarantee that the parent living with the child will get maintenance on schedule every month. Maximum maintenance is 125 Euro per month and child, and the liable parent who does not pay will accumulate a debt to the state. Social insurance pays maintenance support for 13 percent of all children in Sweden.

Development and challenges

We may all agree that family policy is a complicated area where policies and support systems with different constructions and with different objectives are needed. In Sweden the general goals have been to create opportunities for combining family and work, as well as to guarantee good economic conditions for all children. A common interpretation is that this combination has been successful and that the goals have been achieved. Most women work, most men use a part of parental leave, and Sweden may be seen as a country with a relatively high degree of gender equality and individual economic independence. Furthermore, most women and men decide to have children, and child poverty is relatively low in Sweden.

Nevertheless, goals could become even more ambitious. Women may in the future work in a gender equal labour market, with less gender segregation and fewer income differences. Men may in the future fully share the responsibility for children and, for instance, use their full half of parental leave. The division of parental leave has been a fiercely debated issue and there has been strong lobbying to abolish the right to sign over days to the other parent.

Furthermore, women and men may have opportunities to realize their child-bearing desires without the economic restrictions that still exist today. Child poverty could also be considerably reduced.

There are also other aspects of current developments that need to be mentioned as they can be associated with family policy, albeit not in the same positive light as the “achieved goals”. It is necessary to scrutinize current family policy and identify potentially negative developments that may be associated with that policy. For instance, the very generous parental leave may disadvantage women in the labour market. The flexibility of the leave makes it possible to stay out of the labour force for an extended time period and this has been found to have an inhibiting effect on women’s careers (Statistics Sweden, 2007b).

It may also be that the strong connection between labour market work and parental leave benefits is a major reason for individuals to postpone childbearing, and as a consequence age at first birth has increased. In this perspective parental leave may actually limit childbearing, at least in times of economic downturn.

Also the strong connection between the labour market and parental insurance, as well as most parts of social insurance, may make marginalized groups even more marginalized. It may create barriers to exit marginalization and make it very hard to become “included” once one has been “excluded”.

The major challenges for the future lie in the increasing diversity of both the Swedish population and the Swedish labour market. Both the population and the labour market have a history of being all-inclusive and relatively homogenous and family policy has been designed to fit such a context. Not only migration and globalization, but also the effects of different individual choices may create more diversity and variation in family patterns. This can partly be seen as something positive, as an effect of individuals being able to act on their free choices. Diversity is generally perceived as enriching for any society. Partly, however, variations can be seen as negative – when, for example, they mean marginalization of certain groups and when variations in behavioural patterns are caused by obstacles for some groups rather than by different choices based on different preferences.

For family policy, it will be a challenge to adapt the system to the different preferences for how to use the benefits. Family policy needs to formulate a response to increasing variations among families. For instance, it may be difficult to combine the goals of encouraging work and guaranteeing good economic conditions for all families in parental leave insurance if the large majority of those becoming parents do not follow the incentive to work before childbearing. In addition, many political issues are involved. For example, one issue is whether to strongly encourage shared responsibility for children, or to let families do as they please – which would mean more families acting in a ‘gender-unequal’ manner since this in many ways – not least economically – means lower costs for the family compared with attempting a gender-equal division of childcare. Policy makers have to make these decisions on the basis of developments to date and in the context of other dimensions of societal development.

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