



Costs and benefits of maternity and paternity leave

Differing views about the costs and benefits of introducing 18 or 20 weeks of fully-paid maternity leave and two weeks of fully-paid paternity leave were voiced by MEPs and invited experts at a joint workshop held on Tuesday by the EP Women's Right Committee and Employment Committee.

Discussions focused on an impact assessment by an outside consultancy on the costs and benefits of longer maternity leave, although other written contributions were also taken into account.

Assessing the costs

The author of the assessment, Heening Thomsen of Ramboll Consulting Group, highlighted variations in the costs, caused by differing rules on maternity and paternity leave schemes in different Member States. If more women on maternity leave were replaced, thereby maintaining production levels, costs would be lower - and vice-versa, he said. However, costs per birth would vary between €0 and €5000 depending on the Member State, because of differing starting points for the payment of allowances and differing lengths of leave.

"The mentality needs to change throughout the legislation", stressed Edite Estrela (S&D, PT), rapporteur of the Women's Rights Committee.

Rovana Plumb (S&D, RO), who is drafting the Employment Committee's opinion, asked if there could be a more flexible proposal, to give Member States some room for manoeuvre. Referring to a proposal by the two EP committees for maternity pay to be 100% of normal pay, Mr Thomsen said that if one was looking for greater flexibility "It could be on the 100% compensation level but I leave that to politicians".

Presenting benefits

Mariell Juhlin from Matrix Insight Ltd, UK, proposed quantifying the benefits with a Multi-Criteria Decision Analysis, taking into account a number of criteria such as health both of mothers and children, impact on fertility rates and gender equality in the labour market.

"Too much focus on costs may obscure other less tangible benefits such as health effects as well as socio-economic benefits like the fertility rate and reducing the risk of child poverty", argued Konstantina Davaki of the London School of Economics and Political Science. A holistic approach was needed, taking into account all kinds of family leave, to have an effect on gender equality and poverty.

Marije Cornelissen (Greens/EFA, NL) pointed out that "costs come with nice clean figures while benefits do not". She believed both results were arbitrary. Ria Oomen-Ruijten (EPP, NL) noted "There is no consensus on the results. On labour participation, there are two opposite conclusions by experts".

Balance between costs and benefits

Thomas Mann (EPP, DE) argued "we cannot talk only about the benefits. We need to balance costs and benefits to achieve the right solution".

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"The debate should not only focus on costs and benefits because this legislation has many aspects and there is a need to weigh up the different elements", said Olivier Thevenon of the OECD's Social Policy Division.

"What can we do if countries have different types of leave?" asked Edit Bauer (EPP, SK). "It is very hard to take account of all the different types of leave. In Sweden for example they have parental leave, not maternity or paternity leave", added Konstantina Davaki.

Impact on labour market

Olivier Thevenon underlined the potential advantages and disadvantages of the legislation for women's participation in the labour market. Among the benefits were job security and income security, while a possible drawback would be a tendency to differentiate between women and men. Longer leave entitlements could also be an obstacle to career progression.

Marina Yannakoudakis (ECR, UK) and Elisabeth Lynne (ALDE, UK) voiced concern about the draft law's possible impact on women's employment opportunities and especially on employer's attitudes to employing young women. "It's true that there is a risk of discrimination against women. That's why men should also share this risk", said Olivier Thevenon.

Konstantina Davaki added that an earlier return to the labour market, as in the UK, was partly linked to the lower level of benefits paid.

Procedure: Ordinary legislative procedure, first reading

Vote in plenary: October 11, Strasbourg

In the chair: Eva-Britt SVENSSON (GUE/NGL, SE) and Pervenche BERÈS (S&D, FR)

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