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STANDING COMMITTEE OF THE EFTA STATES

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SUBCOMMITTEE IV ON FLANKING AND HORIZONTAL POLICIES

EEA EFTA Comment

on the Proposal for a Directive of the European Parliament and of the Council on work-life balance for parents and carers and repealing Council Directive 2010/18/EU*

1. EXECUTIVE SUMMARY

1. The EEA EFTA States – Iceland, Liechtenstein and Norway – share the goals and objectives of the Commission proposal on work-life balance for parents and carers.
2. However, the EEA EFTA States believe that the proposed directive must give room for national models and respect the principle of subsidiarity. Member States should therefore be given the freedom to decide which measures work best in their political and societal context.

2. INTRODUCTION

3. As part of the European Pillar of Social Rights, and following two stages of social partner consultations, the European Commission on 26 April 2017 adopted a Proposal for a Directive of the European Parliament and of the Council on work-life balance for parents and carers and repealing Council Directive 2010/18/EU (the WLB Directive).
4. The EEA EFTA States – Iceland, Liechtenstein and Norway – have been actively involved in best-practice exchange with the EU relating to gender equality, family policy, work-life balance (WLB), labour market and social issues. Furthermore, the EFTA Working Group on Gender Equality, Anti-Discrimination and Family Policy closely follows EU legal and policy initiatives in these fields. On 22 February 2016 the EEA EFTA issued a first EEA EFTA Comment on WLB, where they shared good practices for increasing female labour market participation, discussed challenges and opportunities and shared their opinion on future EU actions to promote WLB.¹

* This EEA EFTA Comment is given without prejudice to further comments from the EEA EFTA States on the proposed directive.

¹ See EEA EFTA Comment on possible action addressing the challenges of work-life balance faced by working parents and caregivers, 22 February 2016: <http://www.efta.int/sites/default/files/documents/eea/eea-efta-comments/2016/2016-02-22-EEA-EFTA-Comment-Work-Life-Balance.pdf>

5. The EEA EFTA States also participate as observers in the Advisory Committee on Equal Opportunities for Women and Men, which supports the Commission in formulating and implementing the EU activities aimed at promoting gender equality. As such, they have among other things participated in the Committee's recent opinion on WLB.
6. On 29 November 2016, the Nordic Council of Ministers, which includes Iceland and Norway, issued a Joint Nordic Declaration on the European Pillar of Social Rights, which among other things stated that the aim of the Pillar of Social Rights should be “to support Member States in achieving inclusive societies and labour markets - with high participation in the labour market of both women and men and social protection for all.”²
7. The goal of this EEA EFTA Comment is to follow-up on the previous EEA EFTA Comment on WLB by sharing the EEA EFTA States' position on the overall approach taken in the proposal and by commenting upon the main initiatives in the Commission proposal based on Icelandic and Norwegian experiences.

3. OVERALL EEA EFTA APPROACH

8. The EEA EFTA States share the goals and objectives of the Commission proposal on WLB. They fully agree that the considerable underrepresentation of women in the labour market is a serious concern which must be addressed urgently. As the Commission rightly points out, taking action is not only a question of upholding the principles and legal requirements of the EU gender equality directives and fairness given a European merit-based labour market, but also an economic imperative as increased prosperity can be attributed to increased labour force participation of women. Actions supporting working parents and carers can make a considerable difference in allowing them to combine both career and family life and hence, ultimately, support increased female participation in the labour market for the common good.
9. A flexible work environment is not just a way to achieve a better balance between work and family life but is also seen as an economic necessity by the EEA EFTA States. It is however important not to undermine the competitiveness of the economy. In this context the EEA EFTA States would also like to give attention to the specific needs and specific circumstances in which micro-businesses and small and medium-sized enterprises work and urge not to burden them disproportionately.
10. At the same time, the EEA EFTA States believe that the directive must also give room for national models and respect the principle of subsidiarity. Member States should therefore be given the freedom to decide which measures work best in their political and societal context.
11. The EEA EFTA States are also of the opinion that the proposal for a new work-life balance directive must allow for national models regarding financial compensation.

² <https://www.norden.org/en/nordic-council-of-ministers/council-of-ministers/the-nordic-council-of-ministers-for-labour-mr-a/declarations/joint-nordic-declaration-on-the-european-pillar-of-social-rights>.

4. ICELANDIC & NORWEGIAN COMMENTS UPON THE MAIN INITIATIVES IN THE PROPOSAL

4.1. Paternity Leave

12. The Commission proposal foresees that at least 10 working days of paternity leave should be granted to working fathers around the time of the birth of the child and that this leave should be compensated at least at the level of sick pay.³
13. Both Iceland and Norway have a very good experience with paternity leave around the time of birth. Paternity leave aims to advance gender equality by creating strong incentives encouraging fathers to become caretakers on an equal footing with mothers. Furthermore, paternity leave in Iceland and Norway has demonstrated the benefits of early bonding between father and child when it is taken consecutively at the early age of the child.
14. Iceland and Norway are strong proponents of paternity leave. However, it should be left to the member states – in accordance with national law and/or collective agreements – to decide if and to what extent financial compensation of income loss should be remunerated.

4.2. Parental leave

15. The Commission proposal foresees at least 4 months parental leave per parent, out of which four months should be non-transferable.⁴ The Commission further proposes that parents should have the possibility to take this leave until the child is 12 years old and to introduce more flexibility as regards the forms in which the parental leave can be taken, meaning “on a part-time basis, in blocks separated by periods of work or in other flexible forms”⁵. The reasoning for this is that flexibility “makes it more likely that parents, in particular fathers, will take up their entitlement to such leave”.⁶
16. Norway and Iceland already have generous parental/paternity leave schemes. It is important for each country to maintain the right to determine the length of non-transferable parental leave allocated to each parent.
17. The Icelandic and Norwegian models foresee that paid parental or maternity/paternity leave is taken before the child becomes 2 and 3 years old respectively. This approach is based on evidence that maternity/paternity or parental leave close to the birth of the child is beneficial for family bonding and helps to balance the care burden between the parents during the first years of the child. Consequently, it is important to ensure that at least part of the paid parental leave should be taken in early age of the child to avoid that parents, especially fathers, take parental leave over the period of 12 years in a piecemeal way, and mothers staying at home with the child during his or her first years which undermines the purpose of the proposed directive. It is the EEA EFTA States opinion that it should be left to the Member States to decide *when* the parental leave

³ Art. 4 of the WLB proposal.

⁴ Art. 5(2) of the WLB proposal.

⁵ Art. 5(6) of the WLB proposal.

⁶ Explanatory note on Article 5 on the WLB proposal.

period must be completed and set in accordance with the age of the child, the age limit being set individually by each country.

18. The EEA EFTA States are also of the opinion that the proposal for a new work-life balance directive must in this case give as well some room for national models regarding financial compensation.

4.3. Carer's Leave

19. The Commission proposal foresees 5 days of carers' leave per year to take care of seriously ill or dependent relatives.⁷
20. This is a good point of departure recognising and emphasizing equal responsibilities and rights between women and men as caretakers and care providers. Furthermore, it might – together with other initiatives – provide a positive impact on the gender segregated labour market by fostering caring males in the health and care sector.
21. However, any further elaboration on carer's leave should be taken at national level in accordance with the subsidiarity principle and through collective bargaining between the social partners.

4.4. Flexible work arrangements

22. The Commission proposal foresees that all working parents of children up to 12 and carers with dependent relatives should have the right to request flexible working arrangements such as reduced working hours, flexible working hours and flexibility on the place of work.⁸
23. It is however important to focus on the specific needs and specific circumstances in which micro-businesses and small and medium-sized enterprises work and to not burden them disproportionately and give room for national models.
24. Flexible work arrangements for both men and women, together with other work-life balance initiatives such as parental leave schemes and access to affordable early childhood education and care facilities, are likely to increase female participation in the labour market – and help them to combine work and family commitments.

⁷ Art. 6 of the WLB proposal.

⁸ Art. 9 of the WLB proposal.