



THE SENATE

SELECT COMMITTEE ON WORK AND CARE

Answers to questions taken on notice Public Hearing

Thursday 8 December 2022, Canberra

Answer from Professor Andrew Scott, Convenor, The Australia Institute, Nordic Policy Centre

Question:

Senator O'NEILL: I'm just trying to understand how many men go, 'Thank you very much, that's a nice offer. I'm not taking it up, and the opportunity cost of me taking that up is higher than continuing with my current situation.' I want to understand that bit of the equation. Can you give me a bit of insight into that?

Prof. Scott: There is no doubt that some men do make that decision. Some couples, some families, make that decision because—

Senator O'NEILL: How many?

Prof. Scott: I quoted the figure for the proportion of parents in Iceland equally sharing the care of the children having doubled from 40 to 80 per cent for babies born in 2014. I suppose I'm focusing on the rising trend. How many? I'd have to take that one on notice too, to give you the precise data. It hasn't eliminated gender inequality, but it has significantly reduced it, and they're progressing. I suspect that's why they keep adding these other incentives. They are taking action of course on pay equity too, and other matters. There are still issues with gender segmentation in Nordic countries in the workforce.

Answer:

International comparability of gender wage gaps is complex to achieve which means that not all countries can be included in strict like-for-like comparisons but the *Global Wage Report of 2018/19: What Lies Behind Gender Pay Gaps*, published by the International Labour Office, Geneva, in 2018, at page 25, indicated the following percentage figures for the median gender pay gap, using monthly earnings:

Australia 30.2

Finland 20.2

Norway 21.3

Sweden 17.5

More recent OECD data (<https://data.oecd.org/earnwage/gender-wage-gap.htm>) for latest available years (2018-2021), however, showed Finland with a similarly high gender wage gap percentage as Australia, and much higher than the other Nordic countries – which underlines the importance of the decision Finland has now taken to substantially increase its paid parental leave, including paternity leave, to boost gender equality there:

Australia 15.31

Denmark 4.99

Finland 15.97
Iceland 12.90
Norway 4.60
Sweden 7.42

Furthermore, I provide the following extract now from page 63 of the recent State Government Inquiry into economic equity for Victorian women, Final Report January 2022, (Source: <https://www.vic.gov.au/sites/default/files/2022-09/Inquiry-into-Economic-Equity-for-Victorian-Women-Final-Report.pdf>), on Nordic paid parental leave provisions and their effect on fathers, to add to the points/sources I mentioned in my testimony:

World's best practice parental leave policies

Nordic countries that have implemented dedicated parental leave for fathers experienced a significant increase in uptake by men. Iceland and Norway have a three-part leave system. In Iceland, there are 13 weeks allotted to the father, 13 weeks to the mother, and 13 weeks to share. In Norway, there are 15 weeks allotted to each parent and 16 to share. In 1993, Norway became the first country to introduce dedicated leave for fathers, and the number of men who took parental leave has since skyrocketed from 4 per cent to 70 per cent. When Iceland introduced their three-part system in 2002, the number of fathers who took leave increased from less than 1 per cent to 80 per cent in just a few years....The implementation of the 'Daddy Quota' in Sweden doubled the number of fathers who took up leave.

The above extract draws on the following sources documented in the Victorian Government report: C. Cederström, *State of Nordic Fathers*, Nordic Council of Ministers, 2019; and Organisation for Economic Co-operation and Development (OECD), *Parental leave: Where are the fathers?*, 2016.