

June 2007

# WOMEN AND LOW-SKILLED WORKERS

## Other Countries' Policies and Practices That May Help These Workers Enter and Remain in the Labor Force





Highlights of [GAO-07-817](#), a report to congressional requesters

## Why GAO Did This Study

Increasing retirements and declining fertility rates, among other factors, could affect the labor force growth in many developed countries. To maintain the size and productivity of the labor force, many governments and employers have introduced strategies to keep workers, such as women and low-skilled workers, in the workforce throughout their working lives. Because other countries have also undertaken efforts to address issues similar to those occurring in the U.S., GAO was asked to (1) describe the policies and practices implemented in other developed countries that may help women and low-wage/low-skilled workers enter and remain in the labor force; (2) examine the targeted groups' employment following the implementation of the policies and practices; and (3) identify the factors that affect employees' use of workplace benefits and the resulting implications. We conducted an extensive review of workplace flexibility and training strategies in a range of developed countries, and we conducted site visits to selected countries. Our reviews were limited to materials that were available in English. While we identified relevant national policies in the U.S., we did not determine whether other countries' strategies could be implemented here. Labor provided technical comments, and State had no comments on this report.

## What GAO Recommends

This report contains no recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-07-817](http://www.gao.gov/cgi-bin/getrpt?GAO-07-817).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Sigurd R. Nilsen at (202) 512-7215 or [nilsens@gao.gov](mailto:nilsens@gao.gov).

# WOMEN AND LOW-SKILLED WORKERS

## Other Countries' Policies and Practices That May Help These Workers Enter and Remain in the Labor Force

### What GAO Found

Governments and employers have developed a variety of laws, government policies, and formal and informal practices, including periods of leave, flexible work schedules, child care, and training. Each of the countries we reviewed has some form of family leave, such as maternity, paternity, or parental leave, that attempts to balance the needs of employers and employees, and, often, attempts to help women and low-wage/low-skilled workers enter and remain in the workforce. In Denmark, employed women with a work history of at least 120 hours in the 13 weeks prior to the leave are allowed 18 weeks of paid maternity leave. In addition to family leave for parents, countries provide other types of leave, and have established workplace flexibility arrangements for workers. U.S. federal law allows for unpaid leave under certain circumstances. All of the countries we reviewed, including the United States, also subsidize child care for some working parents through a variety of means, such as direct benefits to parents for child care or tax credits. For example, in Canada, the government provides direct financial support of \$100 a month per child, to eligible parents for each child under 6. Last, governments and employers have a range of training and apprenticeship programs to help unemployed people find jobs and to help those already in the workforce advance in their careers.

Although research shows that benefits such as parental leave are associated with increased employment, research on training programs is mixed. Leave reduces the amount of time that mothers spend out of the labor force. Cross-national studies show that child care—particularly when it is subsidized and regulated with quality standards—is positively related to women's employment. Available research on training in some of the countries we reviewed shows mixed results in helping the unemployed get jobs. While some initiatives have shown promise, some evaluations of specific practices have not been conducted. Some country officials said it is difficult to attribute effects to a specific policy because the policies are either new or because they codified long-standing practices.

While policies do appear to affect workforce participation, many factors can affect the uptake of workplace benefits, and employees' use of these benefits can have implications for employers and employees. For example, employees' use of workplace benefits can create management challenges for their employers. Additionally, employees are more likely to take family leave if they feel that their employer is supportive. However, while a Canadian province provides 12 days of unpaid leave to deal with emergencies or sickness, low-wage workers cannot always afford to take it. Similarly, the uptake of available benefits can also have larger implications for an employee's career. Some part-time jobs have no career advancement opportunities and limited access to other benefits. Since employers tend to target their training to higher-skilled and full-time workers, employees who opt to work part-time may have fewer opportunities for on-the-job training that could help them advance, according to researchers in the Netherlands.

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## Abbreviations

CCDF	Child Care and Development Fund
EC	European Commission
EU	European Union
FMLA	Family and Medical Leave Act
HHS	Department of Health and Human Services
ITA	individual training account
OECD	Organisation for Economic Co-operation and Development
SDI	State Disability Insurance
TANF	Temporary Aid for Needy Families
UK	United Kingdom
WIA	Workforce Investment Act
WOTC	Work Opportunity Tax Credit
WtWTC	Welfare-to-Work Tax Credit

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United States Government Accountability Office  
Washington, DC 20548

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June 14, 2007

The Honorable Charles Schumer  
Chairman  
The Honorable Carolyn B. Maloney  
Vice-Chair  
Joint Economic Committee

The Honorable Jack Reed  
United States Senate

The Honorable John D. Dingell  
House of Representatives

Increasing retirements and declining fertility rates, among other factors, could affect the labor force growth in many developed countries. To maintain the size and productivity of the labor force, many governments and employers in developed countries have introduced strategies to keep workers who face greater challenges in maintaining jobs and incomes, such as women and low-wage/low-skilled workers, in the workforce throughout their working lives. To help women remain in the labor force consistently, many governments and employers have established leave policies and flexible working arrangements to assist women in simultaneously managing responsibilities both inside and outside the workplace. At the same time, rapid technological change and global competition have limited the employment opportunities for some low-skilled workers. This development has drawn attention to the need for investing in education and training to help low-skilled workers find jobs and remain in the labor force.

Because the experiences of other countries may provide useful information for U.S. policymakers, you requested that we examine the policies and practices in other developed countries that may attract and retain individuals who otherwise might not be in the workforce, or who might drop in and out of the labor force more than other groups. Specifically, you asked us to (1) describe the policies and practices implemented in other developed countries that may help women and low-wage/low-skilled workers enter and remain in the labor force; (2) examine the change in the targeted groups' employment following the implementation of the policies and practices; and (3) identify the factors

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that affect employees' use of workplace benefits and the resulting workplace implications.

To address these issues, we conducted an extensive literature review of workplace flexibility and training strategies in a range of developed countries to provide descriptive information about some of their policies and practices. We conducted site visits or in-depth interviews with various officials in four developed countries—Canada, the United Kingdom (UK), the Netherlands, and Denmark—selected for the variety of work-family and workforce development policies they have adopted, which include a range of policies and practices targeted specifically to women and low-wage/low-skilled workers. We interviewed government officials, researchers, private employers, and trade associations or unions in each of the countries about their experiences with such policies and practices. We also visited Belgium to meet with officials from several European Union (EU) institutions, such as the European Commission and the European Foundation for the Improvement of Living and Working Conditions. We reviewed four other countries (France, Ireland, New Zealand, and Sweden) based on policies and practices they had implemented for our target groups. Information about these countries' policies/practices came from extensive literature reviews and discussions with U.S. and foreign-based researchers.

To provide context, we identified relevant national policies in the United States. However, we did not conduct a comprehensive review of similar workplace flexibility and training strategies in the United States, nor did we seek to determine whether other countries' strategies could be implemented here. Additionally, our review of related laws and regulations of the other countries relied on secondary sources of analysis rather than independent analysis of foreign laws. Our review of laws and regulations was limited by the extent that specific information from secondary sources was accessible and written in English. For a more detailed explanation of our methodology, see appendix I.

We conducted our work between July 2006 and May 2007 in accordance with generally accepted government auditing standards.

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## Results in Brief

Governments and employers in the countries we studied have developed a variety of laws, government policies, and formal and informal practices, including periods of leave, flexible work schedules, childcare, and training for women and low-wage/low-skilled workers. Each of the countries we reviewed has some form of paid family leave, such as maternity, paternity,

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or parental leave, that attempts to balance the needs of employers and employees and, often, attempts to help women and low-wage/low-skilled workers enter and remain in the workforce. For example, in Denmark, employed women with a work history of at least 120 hours in the 13 weeks prior to the leave are allowed 18 weeks of paid maternity leave. In addition to family leave for parents, countries provide other types of leave and have established workplace flexibility arrangements for workers. U.S. federal law allows for up to 12 weeks of unpaid leave for most workers. All of the countries also subsidize childcare for some working parents to some extent through a variety of means, such as direct benefits to parents for childcare and tax credits. For example, in Canada, the government provides direct financial support of \$100 a month per child, to eligible parents for each child under age 6. Last, governments and employers have a range of training and apprenticeship programs to help unemployed people find jobs and to help those already in the workforce advance in their careers. For example, Denmark has had a public system in place since the mid-1960s that allows low-skilled workers to receive free education, wage subsidies, and funding for transportation costs. About one-half of unskilled workers took part in training courses that were either publicly financed or provided privately by employers in the past year, according to a Danish researcher.

Although research shows that the provision of some workplace benefits, such as paid family leave, is associated with increased employment, research on training programs has shown mixed results, and few evaluations of certain policies and practices have been conducted. For example, evidence from cross-national studies shows that the availability of childcare—particularly when it is subsidized and regulated with quality standards such as a high staff-to-child ratio—is positively related to women’s employment. These and other cross-national studies also indicate that paid maternity leave helps women enter and remain in the labor force. For example, one study examining paid maternity leave of varying lengths of time in several Western European countries, including Denmark, France, Ireland, and Sweden, found that such leave may increase women’s employment rate by about 3-4 percent. In addition, research demonstrates that the provision of leave with job protection reduces the amount of time that women spend out of the labor force. Moreover, a study reviewing Sweden’s leave policies determined that parental leave set aside for the father allows women to shorten their maternity leave and limit career disruptions. Research shows mixed results in whether training helps the unemployed get jobs. However, nearly all evaluations of Canadian and U.S. training programs show that the programs helped the unemployed to get jobs, according to a literature review by the Canadian government.

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Furthermore, it is difficult to attribute effects to a specific policy for a variety of reasons, and evaluations may be difficult to conduct. Some policies simply codified into law a widely used practice. For example, a Dutch official told us that it was very common for Dutch women to choose to work part-time even before legislation passed that promoted employees' rights to reduce their working hours.

Many factors can affect whether employees take full advantage of benefits, and use of these benefits can have implications for employers and employees. For example, an EU report that examined several of the countries we studied found that employees are more likely to take family leave if they feel that their employer is supportive. In addition, the province of Saskatchewan in Canada provides 12 days of unpaid leave per year, but low-wage workers cannot always afford to take it, according to a Saskatchewan labor official. Employees' personal experiences can also affect their uptake of benefits. For example, employers and governments may have to convince employees to take advantage of workplace training, because these workers may have had negative experiences with education in the past, according to employee representatives from Denmark's largest trade union confederation. Further, some employers may face issues when employees do use the available benefits. An employer in Saskatchewan, Canada, for example, said that although he was able to hire temporary help to cover an employee who was on maternity leave, he faced an unexpected staff shortage when the employee decided toward the end of her leave not to return to work and the temporary employee had found another job. The uptake of available benefits can also have larger implications for an employee's career. Long parental leaves, for example, may lead to an actual or perceived deterioration in women's labor market skills, according to an EU report, and can have negative effects on future earnings. In addition, since employers tend to target their training to higher skilled and full-time workers, employees who opt to work part-time may have fewer opportunities for on-the-job training that could help them advance, according to researchers in the Netherlands.

We provided a draft of this report to the Departments of Labor and State for their review and comment. The Department of Labor provided technical comments, which we have incorporated where appropriate. The Department of State did not have comments on this report.

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## Background

According to the Department of Labor, in 2005, about 60 percent of U.S. women age 16 and older were in the workforce, compared to 46 percent in 1975. Some U.S. employers offer alternative work arrangements to help



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workers manage both work and other life responsibilities.<sup>1</sup> One type of alternative work arrangement allows workers to reduce their work hours from the traditional 40 hours per week, such as with part-time work or job sharing.<sup>2</sup> Some arrangements adopted by employers, such as flextime, allow employees to begin and end their workday outside the traditional 9-to-5 work hours. Other arrangements, such as telecommuting from home, allow employees to work in an alternative location. Childcare facilities are also available at some workplaces to help workers with their care giving responsibilities. In addition to benefiting workers, these arrangements may also benefit employers by helping them recruit and retain workers.<sup>3</sup>

Federal law establishes minimum levels of unpaid leave for individuals under certain circumstances. The Family and Medical Leave Act (FMLA) of 1993 enables certain employees to take up to 12 weeks per year of unpaid leave upon the birth or adoption of a child, or to care for qualifying family members or themselves in the event of a serious health condition with the guarantee of a similar job upon return.<sup>4</sup> The law applies to private companies with 50 or more employees, and all federal, state, and local government agencies.<sup>5</sup> To be eligible for leave, employees seeking leave must have worked for their employer for at least 1 year and for over 1,250 hours during the last year.

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<sup>1</sup>For a listing of companies that have implemented various workplace flexibility initiatives, see the Families and Work Institute, [www.familiesandwork.org](http://www.familiesandwork.org), and the Great Place to Work Institute, [www.greatplacetowork.com](http://www.greatplacetowork.com).

<sup>2</sup>Part-time work schedules allow employees to reduce their work hours from the traditional 40 hours per week in exchange for a reduced salary and possibly pro rated benefits. Job sharing—a form of part-time work—allows two employees to share job responsibilities, salary, and benefits of one full-time position.

<sup>3</sup>Paid leave had been the most costly benefit to employers, but by 2005, the cost of health insurance equaled that of paid leave. See GAO, *Employee Compensation: Employer Spending on Benefits Has Grown Faster than Wages, Due Largely to Rising Costs for Health Insurance and Retirement Benefits*, GAO-06-285 (Washington, D.C.: Feb. 24, 2006).

<sup>4</sup>However, employers are not required to extend this job protection to certain “highly compensated employees,” as that term is defined by the Act, 29 U.S.C. § 2614(b).

<sup>5</sup>Governmental agencies do not have to meet the 50-employee test.

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Some state laws provide greater family or medical leave rights than the federal law.<sup>6</sup> In July 2004, California became the first state in the country to offer a comprehensive paid family leave program.<sup>7</sup> The program allows workers to receive up to 6 weeks per year of partial wage replacement for leave taken to care for a seriously ill family member (child, spouse, parent, or domestic partner) or to care for a child within 1 year of birth or placement for adoption or foster care. The program, which is administered by the State Disability Insurance (SDI) system, is funded entirely by employee contributions. The paid family leave law requires a 1-week waiting period and applies to all employees who pay into the SDI system, regardless of employer size. In May 2007, Washington state enacted paid family leave legislation that grants up to 5 weeks of paid leave a year to certain employees to care for a newborn or newly adopted child.<sup>8</sup>

The federal government also provides childcare subsidies for certain low-income families, and tax breaks for most parents, both to support their ability to work and to balance work-family responsibilities. Under

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<sup>6</sup>See National Partnership for Women and Families, *Expecting Better: A State-by-State Analysis of Parental Leave Programs* (Washington, D.C.: 2005), [www.nationalpartnership.org](http://www.nationalpartnership.org).

<sup>7</sup>The law was passed in September 2002 and became effective on January 1, 2004, with benefits payable for leave commencing on or after July 1, 2004. California's paid family leave is not a form of job protection. The program does not guarantee an employee the right to take leave, nor does it require an employer to hold an employee's job open while the employee is on leave. Paid leave can be taken all at one time, or intermittently—i.e., in hourly, daily, or weekly increments. While the previously existing State Disability Insurance benefit provides partial wage replacement to individuals who cannot work because of their own illness or injury, the new paid family leave benefit provides partial wage replacement to individuals who must take time off from work to care for a seriously ill family member or new child. Workers who take leave under the paid family leave program receive approximately 55 percent of their wages, subject to a statutory cap. Only workers who pay into the State Disability Insurance system—i.e., almost all private sector employees and some public sector employees—are eligible for paid leave. The paid family leave law does not require an employee to work a minimum number of hours or days before becoming eligible for paid family leave benefits.

<sup>8</sup>Beginning in October 2009, parents of newborn and newly adopted children who have worked 680 hours or more in the prior year will be able to take up to 5 weeks off work with a benefit of \$250 per week, pro-rated for part-time workers. While the leave was initially funded through an employee-paid payroll tax, the bill that passed establishes a joint legislative task force to recommend, among other things, a funding source for the program before January 1, 2008. The Washington law does provide some employees who take leave with job protection.

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programs funded by the Child Care and Development Fund (CCDF),<sup>9</sup> Temporary Assistance for Needy Families (TANF) and state resources, states have the flexibility to serve certain types of low-income families. The Head Start program provides comprehensive early childhood education and development services to low-income preschool children, on a part- or full-day basis. Further, the Child and Dependent Care Tax Credit allows parents to reduce their tax on their federal income tax return if they paid someone to care for a child under age 13 or a qualifying spouse or dependent so they could work or look for work.<sup>10</sup> The credit is a percentage of the amount of work-related child and dependent care expenses paid to a care provider. The credit can be up to 35 percent of qualifying expenses, depending upon income.

The federal government also offers workforce development and training programs designed to assist low-wage/low-skilled workers in the United States. The Workforce Investment Act of 1998 (WIA)<sup>11</sup> requires states and localities to bring together a number of federally funded employment and training services into a single system—the one-stop system. Funded through four federal agencies and administered by the U.S. Department of Labor, these programs provide services through a statewide network of one-stop career centers. Low-skilled workers and dislocated workers can choose the training they determine best for themselves, working in consultation with a case manager. Additionally, the federal government provides incentives for companies to hire low-income workers, public assistance recipients, and workers with disabilities. The Work Opportunity Tax Credit is a federal tax credit that offers employers tax breaks when they hire certain categories of job seekers, including TANF recipients. The credit is designed to help people move from welfare to work and gain on-

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<sup>9</sup>The Child Care and Development Fund (CCDF) is administered by the Department of Health and Human Services (HHS) and provides block grants to states, which use the grants to subsidize the child care expenses of families with children under age 13, if the parents are working or in school and family income is less than 85 percent of the state median. Child care services are provided on a sliding fee scale basis, and parents may choose to receive assistance through vouchers or certificates, which can be used with a provider of the parents' choice, including religious providers and relatives.

<sup>10</sup>To qualify, the spouse, children over the age of 13, and other dependents must be physically or mentally incapable of self-care and must have the same principal abode as the taxpayer for more than one-half of the taxable year.

<sup>11</sup>GAO, *Workforce Investment Act: Employers Found One-Stops Centers Useful in Hiring Low-Skilled Workers; Performance Information Could Help Gauge Employer Involvement*, [GAO-07-167](#) (Washington, D.C.: December 2006).

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the-job experience. Additionally, the Welfare-to-Work Tax Credit (WtWTC) is a federal income tax credit that encourages employers to hire long-term TANF Assistance recipients.

Most of the countries we studied are members of the European Union (EU);<sup>12</sup> as such, they need to take EU laws into account when formulating their policies. EU legislation on employment-related issues typically provides minimum standards or basic rights for individuals across member states. For example, the 1997 directive on equal treatment of part-time work mandates that people holding less than full-time jobs be given pro rated pay and benefits without discrimination.<sup>13</sup> EU directives are generally binding in terms of the results to be achieved,<sup>14</sup> but an opt-out option occasionally allows member states to delay action. According to an EU official, the Union also sets targets to be achieved voluntarily at some future date. Since 2000, for example, member states have collectively agreed to increase the number of women in employment, the number of adults in lifelong learning, and the provision of childcare by the end of the decade. The EU offers financial support to its member states to help them succeed in employment goals.<sup>15</sup> For example, countries can request money from the European Social Fund (ESF) for public or private programs that improve people's skills and employability.<sup>16</sup>

Other differences are relevant to consideration of the workforce attachment policies of our study countries. Although U.S. women have high levels of educational attainment, their workforce participation, in general, is lower than that of the countries we studied. In 2004, the educational attainment of women ages 25-64 in the United States, at

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<sup>12</sup>These include Denmark, France, Ireland, the Netherlands, Sweden and the UK. The EU is an economic and political union established in 1993 by the Maastricht Treaty to expand the scope of the European Economic Community and provide for the creation of a European Central Bank and the adoption of a common currency, the euro.

<sup>13</sup>EC Council Directive 97/81/EC; members may choose to make exceptions for workers engaged in casual work.

<sup>14</sup> Member states are bound by the objectives laid down by the directives but are left the choice of how to achieve these objectives.

<sup>15</sup>The EU will allocate 0.9 billion euros, or more than \$1 billion, for education and training in its 2007 budget, a 31 percent increase from 2006.

<sup>16</sup>The ESF was created in 1957 and is EU's main source of support, helping member states combat unemployment, prevent people from dropping out of the labor market, and promote training.

13.4 years, surpassed that of women in all other study countries (see app. II, table 4). While a higher education level is generally associated with greater likelihood of labor force participation, labor force participation for U.S. women is lower than that in any of our study countries except Ireland and New Zealand. For example, in Denmark, labor force participation was 85 percent, compared to 75 percent in the United States, and 68 percent in Ireland. In the Netherlands, a country where 36 percent of all employment is part-time, women constitute more than three-quarters of employees working less than 30 hours per week (see table 1).

**Table 1: Total Fertility Rates, Women’s Labor Market Participation, and Part-Time Work**

Country	Total fertility rate <sup>a</sup>	Labor force participation rates of women, ages 25-54, 2004	Part-time employment as a proportion of total employment	Women’s share of part-time employment
Sweden	1.75	85.3%	13.5%	67.1%
Denmark	1.78	84.9%	18.0%	64.1%
Canada	1.53	81.5%	18.3%	68.6%
France	1.91	80.3%	13.6%	79.1%
The Netherlands	1.73	77.4%	35.7%	76.3%
The UK	1.76	76.8%	23.6%	77.3%
The U.S.	2.05	75.3%	12.8%	68.4%
New Zealand	2.01	75.2%	21.7%	74.8%
Ireland	1.93	67.9%	18.6%	79.1%

Source: *OECD Employment Outlook 2006: Boosting Jobs and Income* (OECD, 2006) and *OECD in Figures, 2006-2007* (OECD, 2006).

<sup>a</sup>The fertility rate is defined as the total number of children born per 1,000 women of childbearing age.

Differences in taxation across countries reflect national choices, which are largely determined by economic and social priorities. The ratio of total tax revenues to gross domestic product (GDP) is a commonly used measure of state involvement in national economies. Countries with high tax-to-GDP ratios generally pay more from the public budget for services that citizens would have to pay for themselves—or do without—in lower-taxed countries. In 2004, Sweden had the highest tax revenue as a percentage of GDP among our study countries, at 50.4 percent. Denmark came next at 48.8 percent, followed by France at 43.4 percent. The United States had the lowest tax-to-GDP ratio in 2004, at 25.5 percent (see table 2).

**Table 2: Total Federal Tax Revenue as a Percentage of GDP**

Country	Percentage of GDP, 2004
Sweden	50.4
Denmark <sup>a</sup>	48.8
France <sup>a</sup>	43.4
Netherlands	37.5
United Kingdom	36.0
New Zealand	35.6
Canada	33.5
Ireland	30.1
United States	25.5

Source: *OECD Revenue Statistics 2006*.

<sup>a</sup>The total tax revenue has been reduced by the amount of the capital transfer that represents uncollected taxes.

## Countries Have Various Policies and Practices That May Help Some Women and Low-Wage/Low-Skilled Workers Enter and Remain in the Labor Force

Governments and employers in the countries we studied developed a variety of laws, government policies, and formal and informal practices, including periods of leave, flexible work schedules, childcare, and training. Each of the countries we reviewed has some form of paid family leave, such as maternity, paternity, or parental leave, that attempts to balance the needs of employers and employees and, often, attempts to help women and low-wage/low-skilled workers enter and remain in the workforce. In addition to family leave for parents, countries provide other types of leave, and have established workplace flexibility arrangements for workers. All of the countries also subsidize childcare for some working parents through a variety of means, such as direct benefits to parents for childcare and tax credits. Last, governments and employers have a range of training and apprenticeship programs to help unemployed people find jobs and to help those already in the workforce advance in their careers.

## Family Leave Policies Differed In Four Major Ways, Including Eligibility Requirements and Length, Payment, and Flexibility

Many countries have developed and funded parental leave policies to assist employees in combining their work and family lives, recognizing, in part, the need to promote women's participation in the labor force. A 1996 directive of the European Council requires all countries in the EU—including each of the European countries we reviewed—to introduce legislation on parental leave that would provide all working parents the right to care for their newborn or newly adopted child for at least 3 months while retaining a position of equal status, recommending that

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benefits be paid during that time. In the U.S., the FMLA allows eligible employees approximately 3 months of unpaid leave that may be used for these purposes. (For an overview of the policies in our study countries, see app. III.) Family leave policies in the countries we studied were generally funded through tax revenues and general revenues. Because some of these countries are social welfare states, their tax revenues represent a greater share of their GDP, allowing for the funding of various policies. For example, Canada, the UK, and the Netherlands fund paid leave policies in part through national insurance programs, which use payroll taxes paid by employers and employees. Denmark's paid maternity, paternity, and parental leaves are financed by income tax revenues through an 8 percent tax on all earned income.<sup>17</sup>

Eligibility provisions are a part of most leave policies we reviewed, and sometimes the service time with an employer determines the amount of leave a parent can take. Many national leave policies in our study countries require employees to work for a period of time before they can take leave, giving employers assurances that employees are committed to their jobs. For example, in Denmark, employed women with a work history of at least 120 hours in the 13 weeks prior to the leave are allowed 18 weeks of paid maternity leave.<sup>18</sup> In some countries, though, all parents are entitled to take family leave, which in some cases is paid. In Sweden, all parents are entitled to parental benefits whether or not they are working. In the UK, by law, all expectant employees can take up to 52 weeks of maternity leave, regardless of how long they have worked for their employer.

To enhance workers' ability to take leave, the countries we studied replace all or part of the wages they forgo while on leave. Dutch employees on maternity leave are entitled to receive 100 percent of their wages, up to a maximum; their partners receive their regular rate of pay from their employers. In the UK, women who meet qualifying conditions of length of service and who earn a minimum amount for the national insurance system—or, on average, 87 British pounds per week—can receive payment

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<sup>17</sup>The 8 percent mandatory contribution also funds other social benefits, including sick leave, active labor market policies, and retirement policies, according to a government official.

<sup>18</sup>Persons who are self-employed, have completed vocational training for a period of 18 months, are doing paid work placement as part of a vocational training course, or are unemployed may also be eligible for cash benefits following the birth of a child.

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generally equal to 90 percent or less of their average weekly earnings.<sup>19</sup> In Ireland, women can generally be paid at 80 percent of earnings, subject to her contributions into the social insurance system. However, employers may offer more leave than legally required.

Because leave is intended to help parents balance career responsibilities with caring—not just for newborns, but for children in general—many countries allow parents to take their allotted parental leave all at once or to divide it into parts. In the Netherlands, Sweden, Denmark, and the UK, parents have the option of using their leave flexibly by dividing it into discrete parts, sometimes with the consent of an employer. In the Netherlands, for example, parents may divide the leave into a maximum of three parts and can take the leave simultaneously or following one another. The Netherlands, Sweden, and Denmark allow parents the use of parental leave until their child turns either 8 or 9, while the UK allows the use of parental leave until a child turns 5.

Recognizing that familial obligations may extend beyond an employee's children, some countries allow workers to take leave to care for family members. The amount of time workers can take to care for family members varies among the countries we reviewed. In Canada, all employees are eligible to take 8 weeks of unpaid leave to provide care and support to a seriously ill family member or someone considered as a family member.<sup>20</sup> In other countries, the leave is more limited. New Zealand requires that all employers provide a minimum of 5 days of paid sick leave for an eligible employee's own illness or to care for family members.<sup>21</sup>

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<sup>19</sup>The rate of statutory maternity pay is 90 percent of a woman's average weekly earnings for the first 6 weeks, followed by the lesser of a flat rate, currently £108.85 a week, or 90 percent of her average weekly earnings for the remaining 33 weeks. Employers who are liable to pay statutory maternity pay may reclaim 92 percent of the amount they pay from Her Majesty's Revenue and Customs. Statutory payment was extended in April 2007 from 26 to 39 weeks.

<sup>20</sup>The definition was expanded in 2006 beyond those caring for parents, children, and spouses to include persons caring for other family members—such as siblings, grandparents, aunts, and uncles—and others considered like family members. Persons must be deemed at risk of dying within 26 weeks.

<sup>21</sup>To be eligible, an employee must have worked for 6 months continuously for the same employer or be deemed eligible at the discretion of their employer. The leave may be used for an employee's own illness or can be used to care for a spouse or dependent, including a child or elderly parent.



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## Flexible Working Arrangements Help Employees Balance Work and Private Responsibilities

A few countries have developed national policies that promote flexible work opportunities, apart from leave, that may help women and low-wage/low-skilled employees join and stay in the workforce. In the Netherlands, by law all eligible employees—whether or not they are parents—have the right to reduce or increase working hours, no matter their reason for doing so.<sup>22</sup> Employers can deny the request only if the change would result in a serious obstacle, such as not having enough other workers to cover the hours an employee wishes to reduce. Similarly, the UK's 2003 Right to Request Flexible Working and Duty to Consider law allows workers to request changes to the hours or location of their work, to accommodate the care of children and certain adults.<sup>23</sup> According to government officials from the UK Departments of Trade and Industry, and Communities and Local Government, this law provides the government with a cost-effective means to help women return to work. Although similar to the law in the Netherlands, this law provides employees with less defined rights, and employers in the UK may refuse an employee's request when the proposed arrangement is not supportable by the needs of the business.

Similarly, flexible working opportunities for employees are often adjusted or developed by individual employers. Many employers adjusted the Right to Request law by extending to all employees the benefits it required, according to government officials from the UK Departments of Trade and Industry and Communities and Local Government. In other cases employers have developed new opportunities. One local government employer in the UK offers employees the ability to take a career break for up to 5 years to care for children or elders, with the right to return to the same position. Employees of the organization are also able to take time off when children are home on holidays, share the responsibilities of one position with another employee through the practice of job sharing, and vary their working hours. In Saskatchewan, Canada, one employer reported allowing employees to average their work hours over a 2-week

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<sup>22</sup>The law is the Working Hours Adjustment Act of 2000. To be eligible for the Working Hours Adjustment Act of 2000, an employee must work in an organization with more than 10 workers, and must have been employed for at least a year by the time his/her work hours would be adjusted.

<sup>23</sup>The Right to Request Flexible Working and Duty to Consider law, sometimes referred to as "soft touch," became effective in 2003. Eligible employees must also have worked for their employer continuously for 26 weeks at the time the application is submitted. Children have to be under 6 or have a disability. Adults must be a spouse, partner, civil partner, or relative, or live at the same residence as the employee submitting a request.

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period, giving them the ability to accumulate overtime hours and have a sense of control over their time. In Denmark, a large employer allowed an employee who was returning to work from a long-term illness to gradually increase her working hours until she reached a full-time schedule over the course of several months. Flexible working arrangements in the United States have been adopted by some employers, but are not mandated in federal law.

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## Childcare Policies Assist Working Parents

All of our study countries have made a public investment in child care, a means of allowing women to access paid employment and balance work and family, according to the European Commission. (See table 3). In Canada, for example, the government provides direct financial support of \$100 a month to eligible parents for each child under 6. In New Zealand, support is available through a childcare tax credit of \$310 per year to parents who have more than \$940 in childcare costs. Researchers have reported that, like leave benefits, early childhood education and care services in European countries are financed largely by the government.<sup>24</sup> According to these researchers, funding is provided by national, state, or regional and local authorities, and the national share typically is dominant in services for preschool-age children. These researchers also reported that care for very young children, and, to a lesser extent, for preschool children, is partially funded through parental co-payments that cover an average of 15 percent to 25 percent of costs.

In some countries the provision of early childhood care and education is viewed as a social right, in others as a shared responsibility. In Sweden and Denmark, parents are guaranteed a place in the state childcare system for children of a certain age, according to the European Commission. More than 90 percent of Danish children are in publicly supported childcare facilities, according to a Danish researcher. Other countries, including France, take a similar view with respect to early childhood education. In France about 90 percent of children ages 3 to 6 and about 35 percent of 2-year-olds attend public preschools, provided free of charge to parents, according to research. Other countries view the provision of child care as a responsibility shared among government, employers, and parents. In the Netherlands, overall, employers, employees, and the government are each

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<sup>24</sup>Janet C. Gornick and Marcia K. Meyers, "Support for Working Families: What the United States Can Learn from Europe" *The American Prospect*, (2001), 12:1.

expected to pay about one-third of childcare costs, according to a report by the European Commission (see table 3).

**Table 3: Select Government-Supported Childcare Initiatives**

<b>Country (percentage of GDP country spends on childcare and/or early education)</b>	<b>Direct financial benefits</b>	<b>Tax incentives</b>	<b>Provision of space in the national childcare or early education system</b>
<p>Canada (Canada spends about 0.2 percent of its GDP on pre primary education for 3 to 6 year olds; for all child care, 0-12, the funding amounts to 0.4 percent of GDP.)</p>	<p>Universal Child Care Benefit: Direct financial support of \$100 a month—up to \$1,200 a year—to eligible parents for each child under 6.  Provincial childcare subsidy: Saskatchewan’s childcare subsidy provides subsidies for families with children in provincially licensed childcare facilities. Low-income parents receive subsidies that cover 85 percent of child care fees on average. The subsidies are paid directly to child care facilities.</p>	<p>Child Tax Benefit: Tax-free monthly payment to eligible families with children under 18.</p>	<p>Child Care Spaces Initiative: Supports the creation of up to 25,000 new childcare spaces in 2007.</p>
<p>Denmark (Denmark devotes 2.1 percent of its GDP to fund all kindergarten and leisure-time services.)</p>	<p>Subsidy: The government pays the majority of childcare costs and parents pay about one-fourth.</p>		<p>Space in childcare system: The public childcare system guarantees a place for each child beginning at 6 months of age. If childcare centers have waiting lists, local municipalities find alternative solutions.</p>
<p>France (France devotes at least 1 percent of its GDP to childcare and pre primary education services.)</p>	<p>Subsidy: Parents pay about 12 percent of their income toward the cost of center-based care for children under 3.</p>		<p>Early education: Every child age 3-6 has the right to attend preschool free of charge. The enrollment of 2-year-olds from socioeconomically disadvantaged backgrounds is also a priority.</p>
<p>Ireland (Funding of public pre primary education services: 0.44 percent of GDP [0.39 percent public and 0.05 percent private])</p>	<p>Child Benefit and Early Childcare Supplement: Parents may receive payment for each child up to age 16, or 19, under certain conditions, regardless of employment status or use of childcare. Parents with young children up to age 6 can receive a supplement to the Child Benefit.</p>	<p>Tax incentives: Various financial incentives, including tax relief and allowances, have been put in place to encourage the private sector—e.g., employers, the voluntary sector, or other firms and individuals—to increase the available provision of childcare.</p>	<p>Childcare spaces: In 2006, the government announced measures to create 50,000 places in after-school care by 2010.</p>

Country (percentage of GDP country spends on childcare and/or early education)	Direct financial benefits	Tax incentives	Provision of space in the national childcare or early education system
Netherlands (The Netherlands devotes 0.38 percent of its GDP [0.37 percent public and 0.01 percent private] to fund pre primary educational services.)	<p>Subsidy:</p> <p>The government reimburses parents for at least one-third of childcare costs, based on income. Low-income parents may receive reimbursement for up to 95 percent of costs.</p> <p>As of January 2007, employers have a mandatory contribution of about one-third of childcare costs (one-sixth per parent) to be collected by raising the employers' contribution to unemployment insurance premiums<sup>a</sup></p>		
New Zealand <sup>b</sup>		<p>Childcare Tax Credit:</p> <p>A tax rebate of \$310 per year is available to parents who have paid more than \$940 per year for childcare.</p>	<p>Early education:</p> <p>All 3- and 4-year-olds in teacher-led early childhood education services can receive up to 20 hours of education per week, free of charge, beginning July 2007.</p>
Sweden (Sweden devotes 1.9 percent of its GDP to fund preschool services.)	<p>Child Benefit:</p> <p>Parents of children under the age of 16 can receive a child allowance.</p> <p>Subsidy:</p> <p>Parental fees for childcare—which may be through regular preschools or home-based care—accounted for about 17 percent of the cost in 1998.</p>		<p>Early education:</p> <p>Children of stay-at-home parents can take part in this education, which is generally available free of charge.</p>
United Kingdom (The UK spends 0.47 percent of its GDP to funding pre primary educational services [0.45 percent public and 0.02 percent private]).	<p>Emergency discretionary funds:</p> <p>Some single parents may be eligible to receive funds to assist in overcoming emergencies—including those related to childcare—that arise in the first 2 months of employment.</p>	<p>Tax credits:</p> <p>Tax credits are available to assist working parents in paying up to 80 percent of the remainder of childcare costs.</p>	<p>Early education:</p> <p>Early education is provided for 12½ hours per week for 38 weeks a year for all 3- and 4-year-olds free of charge.</p>

Country (percentage of GDP country spends on childcare and/or early education)	Direct financial benefits	Tax incentives	Provision of space in the national childcare or early education system
United States (The United States spends about 0.4 percent of its GDP on funding of public pre primary education services.)	Child Care and Development Fund: Eligible parents may receive vouchers or certificates to purchase child care services with a legally-operating provider of choice.	Dependent Care Tax Credit: Tax credits are available up to 35 percent of qualifying expenses, or up to \$3,000 in childcare expenses for one child.	Head Start: Provides early childhood education and development services to low income preschool children.

Source: GAO analysis of information from country officials, OECD, and government and related Websites.

Note: We were unable to identify all child care information for each of the countries we examined.

<sup>a</sup>According to the Dutch Ministry of Social Affairs and Employment, the contributions would be offset for employers by reducing taxes on business profits.

<sup>b</sup>Comparable information on GDP in New Zealand was unavailable.

Aside from public support for childcare, some employers in the countries we reviewed offered additional resources for their employees' childcare needs. For example, although not mandated by law until January 2007, many employers in the Netherlands had been contributing toward their employees' cost for childcare. In the Netherlands, about two-thirds of working parents received the full child care contribution from their employers, according to a recent survey.<sup>25</sup> In addition, a Canadian union negotiated employer subsidies to reimburse some childcare expenses for its members, according to union representatives.

## Training Programs Can Be Targeted at the Unemployed or Low-Skilled Workers

Our study countries provide services intended to help the unemployed develop the skills necessary to obtain work. These include providing training directly and providing private entities and employers with resources to provide training or apprenticeships. To address the skill deficit of those who are unemployed, the UK, for example, has recently adopted recommendations to increase adult skills training, and create an

<sup>25</sup>The survey was commissioned by the Dutch Ministry of Social Affairs and Employment.

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integrated employment and skills service, among other things.<sup>26</sup> In Denmark, the unemployed are required to accept offers, such as education and training, after 9 months of unemployment to help them find work or they will lose benefits, according to employee representatives from the largest Danish trade union confederation that represents the public and the private sectors.<sup>27</sup> Particular groups of the unemployed that may face difficulty in finding employment, such as women and the low-skilled, may be offered training earlier. Employers in Denmark may receive wage subsidies for providing job-related experience and training to the unemployed, or for providing apprenticeships in fields with a shortage of available labor. In the Netherlands, the government provides individual support—including training, apprenticeships, or job coaching—for the unemployed to help them secure a job, according to the Dutch Ministry of Social Affairs and Employment. In the United States, training services generally are available through the WIA programs, which are provided by government.

Local governments and private entities also seek to help the unemployed obtain and upgrade skills. For example, a local government council in the UK provides unemployed women training in occupations in which they are underrepresented, such as construction and public transport. While the women are not paid wages during the typical 8-12 weeks of training, they may receive unemployment insurance benefits as well as additional support for childcare and transportation. Additionally, a privately run association in the Netherlands provides entrepreneurial training to women who have been on public assistance for at least 10 years to start their own businesses, according to an organization official. The association pays the local college to provide the business-related classes and coaches, who help participants develop business plans. Both of these initiatives were funded jointly by the local governments and the European Social Fund.

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<sup>26</sup>A comprehensive review commissioned by the UK government showed that less than half of those with no qualifications are employed, compared to 90 percent of those with graduate-level qualifications. Such findings showed that skills across the UK lag behind those of its competitors, particularly with regard to basic and vocational skills. For example, more than one in three adults do not hold the equivalent of a basic school qualification, nearly one in two has difficulty with numbers, and one in seven is functionally illiterate. See *Leitch Review of Skills: Prosperity for All in the Global Economy* (HM Treasury, London: December 2006).

<sup>27</sup>In addition to mandatory offers of education and training, for example, the Danish model known as ‘flexicurity’ includes a high degree of labor market flexibility and generous unemployment benefits.

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In addition to providing training to the unemployed, our study countries also have training initiatives focused on those already in the workforce. For example, Canada introduced an initiative to ensure that Canadians have the right skills for changing work and life demands.<sup>28</sup> The program's goal is to enhance nine essential skills—reading text, document use, working with numbers, writing, oral communication, working with others, continuous learning, thinking skills, and computer use—that provide the foundation for learning all other skills and enable people to evolve with their jobs and adapt to workplace changes, according to the government. The broad-based initiative provides resources to help organizations incorporate workplace literacy and the essential skills into existing human resources practices. Denmark has had a public system in place since the mid-1960s that allows low-skilled workers to receive free education, wage subsidies, and funding for transportation costs. About one-half of unskilled workers took part in training courses that were either publicly financed or provided privately by employers in the past year, according to a Danish researcher. The UK has also developed an initiative that offers employers training assistance to meet their needs. The UK's Train to Gain program, based on an earlier pilot program, provides employers free training for employees to achieve work-related, competence-based qualifications that reflect the skills needed to do a job effectively. Qualifications can be earned in a variety of occupational areas, such as providing health and social services. To qualify for Train to Gain, employers need to agree to at least a minimum level of paid time that employees will be allowed to use for training. During the pilot program, employers were given a wage subsidy to compensate for giving employees paid time off; evaluations showed the effect of these subsidies to be mixed. Currently, only employers with fewer than 50 full-time employees are eligible for limited subsidies under Train to Gain. Train to Gain also provides skills advice to employers and helps match business needs with training providers. The UK Leitch Review recommended that the government provide the bulk of funding for basic skills training and that all adult vocational skills funding be routed through programs such as Train to Gain.<sup>29</sup>

As is the case with other benefits, many training programs aimed at increasing employees' skills are initiated privately by employers and employees. For example, an employer in Saskatchewan reported that he

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<sup>28</sup>The Essential Skills and Workplace Literacy Initiative was introduced in 2003.

<sup>29</sup>See *Leitch Review of Skills: Prosperity for All in the Global Economy* (HM Treasury, London: December 2006).

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supports employees' advancement by paying for necessary educational courses, such as those that prepare employees for required licenses. A large government employer in the UK offers flexible training to make it more easily accessible to women. For example, training is made available online, from work or home, as well as through DVDs that can be viewed at one's convenience. In the Netherlands, according to an employer representative, most training is developed through agreements in which employers agree to pay. In Denmark, a director in the Ministry of Education reported that some companies give employees the right to 2 weeks per year of continuing education in relevant and publicly funded education.

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### Although Certain Workplace Policies Are Associated with Increased Participation in the Labor Force, in General, Effects Are Not Definitive

Research has found that workplace policies such as childcare and family leave encourage women to enter and return to the workforce, while evaluations of training policies show mixed results. Readily available childcare appears to enable more women to participate in the labor market, especially when it is subsidized and meets quality standards such as having a high staff-to-child ratio and high proportion of certified staff. Women are also more likely to enter and remain in the workforce if they have paid family leave, although the length of leave affects their employment. An extensive review of available research by the European Commission shows mixed results in whether training helps the unemployed get jobs. Some training initiatives have shown promise but have not been formally evaluated. In general, researchers and officials reported that it is difficult to determine the effects of a policy for a variety of reasons.

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### Childcare and Paid Family Leave Are Associated with an Increase in Labor Force Participation

Readily available childcare, especially when it is subsidized and regulated with quality standards, such as a high staff-to-child ratio and a high proportion of certified staff, appears to increase women's participation in the labor force by helping them balance work and family responsibilities, according to research from several cross-national studies. While studies show that childcare is associated with an increase in female labor force participation, a report by the European Commission found that, if parents feel that there are problems with the quality of childcare—as is the case with childcare in the UK due, in part, to staff recruitment and retention issues—they will be less likely to use it.<sup>30</sup> Additionally, the European

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<sup>30</sup>European Commission, *'Making Work Pay' Debates from a Gender Perspective* (Belgium: European Communities, 2006), 110.



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Commission reports that women prolong their return to work when childcare is not subsidized and its costs are high. Low-wage workers, especially single parents, who are predominantly women, are particularly sensitive to the price of childcare, according to a European Commission report. Research from the United States also shows that highly priced childcare can deter mothers from working, according to a review of the literature. The association between childcare and women's labor force participation is found in several studies that control for a variety of factors, including individual countries' cultural norms and experiences. However, the relationship between early childhood education—which acts as childcare for some parents—and women's labor force participation is uncertain. Because many unemployed mothers also place their children in subsidized preschool, any impact that the preschool has on encouraging mothers to work may appear to be diminished, according to a cross-national study.<sup>31</sup>

Research shows that paid family leave encourages women's employment by helping them to enter the labor market and to return to work more quickly after having a child. Women who have a set leave period, and a guarantee of a job upon return, tend to return to work more quickly than women who have to quit their job and re-enter the labor market. One extensive review of the literature on family leave found that leave increases the chance that women will return to work by the end of the year following the birth.<sup>32</sup> Another study examining paid maternity leave of varying lengths of time in several Western European countries, including Denmark, France, Ireland, and Sweden, concluded that maternity leave may increase women's employment rate by about 3-4 percent.<sup>33</sup> Furthermore, paid leave set aside for fathers has allowed Swedish mothers

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<sup>31</sup>Florence Jaumotte, "Female Labour Force Participation: Past Trends and Main Determinants in OECD Countries," *OECD Economics Department Working Papers* No. 376 (2003): 19.

<sup>32</sup>Janet C. Gornick and Marcia K. Meyers, *Families That Work: Policies for Reconciling Parenthood and Employment* (New York: Russell Sage Foundation, 2003), 245.

<sup>33</sup>This may overstate the increase in employment. In some cases, people on family leave are considered "employed but absent from work" and this may account for a quarter to one-half of the increase associated with longer lengths of leave (9 months or more). Christopher J. Ruhm, "The Economic Consequences of Parental Leave Mandates: Lessons from Europe," *The Quarterly Journal of Economics*. Vol. 113, No.1 (1998): 311-312.

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to return to work more quickly since fathers are encouraged to share in the caring duties, according to one study.<sup>34</sup>

Research findings, however, are not conclusive as to the ideal length of family leave to encourage women to return to work. For example, if leave is too short, women may quit their job in order to care for their child, according to a European Commission report. Another study, however, found that if leave is too lengthy, it may actually discourage women from returning to work after having a child. One researcher stated that French mothers with at least two children returned to the workforce less frequently when they became eligible for 3 years of family leave. On the contrary, some researchers found that Sweden's lengthy leave allowed more women to enter and remain in the labor force in the long run. One review of the literature concluded that leave of up to about 1 year is positively associated with women's employment, while another found that after 20 weeks, the effect of leave on employment begins to deteriorate.

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### The Effects of Most Workplace Policies and Practices, Including Training, Are Not Definitive

Evaluations of training for the unemployed, where they exist, have shown mixed results in helping individual workers. Research on training program participants from Sweden and Denmark found that training programs do not appear to positively affect all participants' employment. While the Danish government's labor market policies seem to have successfully lowered the overall unemployment rate to around 4 percent by the end of 2006, according to Danish officials, the effect of specific training programs on participants' employment is difficult to discern.<sup>35</sup> On the other hand, a number of evaluations of French training programs suggest that these programs help participants secure jobs. New Zealand's evaluation of two of its training programs, which provide both remedial and vocational skills to participants, found that the training had a small effect on the

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<sup>34</sup>Elina Pylkkanen and Nina Smith, "Career Interruptions due to Parental Leave: A Comparative Study of Denmark and Sweden," *OECD Social, Employment and Migration Working Papers* No. 1 (2003): 30.

<sup>35</sup>This is partly due to the fact that most studies evaluate all active labor market programs together, rather than single program types. These programs include not only skills and qualifications upgrades but also wage subsidized employment and practical work experiences in enterprises. In addition, all recipients of unemployment benefits in Denmark are required to participate in active labor market programs if they do not find employment within a certain time-frame, so there is no comparison group for formal evaluations.

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participants' employability.<sup>36</sup> Nearly all evaluations of Canadian and U.S. training programs show that the programs increased the ability of the unemployed to get jobs, according to a literature review by the Canadian government. According to a European Commission report, one researcher's review of 70 training program evaluations, including those in Denmark, France, the Netherlands, Sweden, and the UK, suggested that training programs have a modest likelihood of making a positive impact on post-program employment rates. However, the European Commission reports that many studies on individual outcomes are based upon short-term data, while the effects on participants' employment may not be evident for 1 to 2 years or more. This is partly because participants may not actively search for a job while they are in training. In the long run, however, training programs may lead participants to find more suitable jobs and spend less time out of the workforce.

Some national and local training initiatives that we reviewed—both those for the employed and those for the unemployed—have shown promise, although some have not been subject to an evaluation. For example, an evaluation of the precursor to the UK's national Train to Gain program found that 8 out of 10 participants believed they had learned new skills, and employers and participants both felt that the training enabled participants to perform better at work. However, the evaluation estimated that only 10-15 percent of the training was new training, while the remaining 85-90 percent of the training would have occurred without the program. Although a planned evaluation has not yet been conducted, an individual UK employer reported that it trained 43 women for jobs in which they are underrepresented. Fourteen of these women found employment and 29 are in further training. Those in further training report that they are more confident that they can find a job, and some are actively seeking employment, according to the employer. Further, 10 out of 70 women began their own business after completing a program in the Netherlands that provides women on social assistance with training to become entrepreneurs, according to the program provider.

Even where evaluations do exist, it is difficult to determine the effects of any policy for a variety of reasons. Research indicates that policies that appear to increase female labor force participation also interact with cultural factors, such as a country's ideology concerning social rights and

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<sup>36</sup>Roopali Johri et al, *Evidence to Date on the Working and Effectiveness of ALMPs in New Zealand* (New Zealand Department of Labor and Ministry of Social Development, 2004), 15.

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gender equality, according to a researcher from Ireland. In some cases, too, new policies interact with the effects of existing ones. For example, a researcher reported that the French government provides payments to mothers who may choose to stay home with their children, while also subsidizing childcare that encourages mothers to work. Additionally, changes in the labor market may actually bring about the enactment of policies, rather than the other way around. For example, it is difficult to be sure whether the availability of childcare causes women to enter the labor force or if it is an effect of having more women in the workforce, according to one researcher's review of the relevant literature. Several of the studies we reviewed attempt to correct for these factors, but a researcher stated that it is difficult to determine cause and effect with certainty even with the best of studies.

Further, few evaluations of certain policies and practices have been conducted. According to both a European Commission report and a study by the Canadian government, the majority of training evaluations come from Canada and the United States, where such studies are often mandated.<sup>37</sup> Evaluations are conducted less frequently in Europe although, according to the European Commission, this is starting to change. Moreover, some policies were recently developed, and governments frequently make changes to existing policies, a fact that may make it difficult to evaluate them. For example, a report by the Canadian government states that flexible work arrangements are relatively new and represent an area in which research is needed. In other cases, a policy simply codified into law a widely used practice. For example, a government official in the Netherlands reported that it was very common for Dutch women to choose to work part-time even before legislation passed that promoted employees' right to reduce their working hours.

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<sup>37</sup>European Commission, *Employment in Europe 2006* (Belgium: European Communities, 2006), 134; and *Gender Equality in the Labor Market: Lessons Learned* (Human Resources Social Development Canada, 2002), 22.

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## While Several Factors Affect Uptake, Employees' Use of Workplace Benefits Can Have Implications for Employers and Employees

The experiences of the countries we reviewed have shown that characteristics of policies, such as the level of payment during leave, can affect whether an employee uses various workplace benefits. For example, the province of Saskatchewan in Canada provides 12 days of unpaid leave per year, for time away from work to deal with emergencies or sickness.<sup>38</sup> However, according to a Saskatchewan government official, low-wage workers cannot always afford to take the unpaid leave. Similarly, according to a University of Bristol professor, low-income mothers in the UK disproportionately return to the workforce at the end of paid maternity leave, whereas more affluent mothers tend to return at the end of unpaid leave. The level of payment can also affect the likelihood that men are willing to take leave, thereby allowing women to shorten their leave and return to work if they choose to do so. A review of the literature from European countries demonstrates that men are much more likely to take leave when they receive a high percentage of their wages.<sup>39</sup> When parental leave can be shared between parents and the level of payment is low, women tend to take the leave, in part because their income level is often lower than their husband's. The review also found that men are more likely to take parental leave when it reserves a period of time exclusively for their use, and does not allow that time to be transferred to the mother. A report from the European Commission also found that the ability to use leave flexibly, such as for a few hours each day or over several distinct periods rather than all at once, can also increase parents' take-up rates for leave as parents are able to care for their children and stay in the labor force at the same time.

Employer views and employee perceptions on workplace benefits, such as leave and training, can also directly affect an employee's use of them. According to researchers in Canada, flexibility in the workplace is determined more by individual managers and workplace culture than by whether specific policies exist. Their research found, for example, that the ability to arrange a schedule in advance and interrupt it if needed is very important to employees, but that this ability is not necessarily associated with express policy. What matters most, rather, is who an employee

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<sup>38</sup>The provinces of British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, and Quebec also provide unpaid Family Responsibility Leave of varying lengths.

<sup>39</sup>Janet C. Gornick and Marcia K. Meyers, "Supporting a Dual Earner/Dual Carer Society: Lessons from Abroad," in *A Democracy That Works: The Public Dimensions of the Work and Family Debate*, edited by Jody Heymann and Christopher Beem, New York: the New Press (forthcoming).

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reports to and how willing a supervisor is to be flexible. Research from the European Commission also indicates that an organization's culture can determine whether or not parents take leave and that both women and men may face unsupportive workplaces. For example, according to the report, men may face negative attitudes from employers when wishing to take family leave. In addition, a review of a UK training program that offered free or subsidized training and wage subsidies to employers for the time employees spent in training found that small employers were generally less positive than larger ones about the value of training for employees.<sup>40</sup> According to a UK employee representative, despite the program's benefits, many small employers did not participate, as they either did not see a need for training or feared losing staff if they acquired new skills. University researchers in Denmark expressed similar concerns, stating that companies face risks in providing training to increase the skills of their employees as employees with additional skills may leave. Further, according to a university researcher in Canada, employer-supported training tends to be provided to the higher-skilled and educated, and the low-skilled may have limited opportunity to improve. A cross-national study from the OECD, which included the countries we reviewed, found that many employers tend to view training for the low-skilled as a cost, rather than an investment, and devote substantially more resources to their high-skilled workers, on average. In addition, an employee's perceptions on training can also affect his or her uptake of opportunities. For example, employee representatives from Denmark's largest trade union confederation said that low-skilled employees are more likely to have had negative experiences with education and that these experiences can affect whether they take advantage of workplace training opportunities to increase their skills.

Employees' use of workplace benefits can create management challenges for their employers. For example, an employer in Saskatchewan reported that covering for the work of staff on family leave can be complicated. He said that although he was able to hire temporary help to cover an employee on maternity leave, he faced an unexpected staff shortage when the employee decided toward the end of her leave not to return to work and the temporary employee had found another job. In addition, a university in the UK reported difficulties in managing employees' leave, as many of the organization's research projects are externally funded and do

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<sup>40</sup>Department for Education and Skills, "Employer Training Pilots: Final Evaluation Report," (2006).

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not provide extra funds to cover for employees on maternity leave. She added that finding a suitable replacement for employees that are specialized also poses problems. An official affiliated with the largest employer association in the Netherlands stated that it can be hard to organize work processes around employees' work interruptions, especially during short-term and unplanned leaves. Similarly, university researchers in Denmark reported that coordinating arrangements during an employee's absence, including during training, may be problematic for small employers.

The use of family leave or part-time work schedules may have negative implications for an employee's career. Employers have indicated that they would prefer to hire an older woman with children rather than a younger woman who has yet to have children, according to university researchers in Denmark.<sup>41</sup> In addition, long parental leaves may lead to an actual or perceived deterioration in women's labor market skills, according to an EU report, and can have negative effects on future earnings. According to employee representatives in Canada, in the high-tech sector, where there are rapid changes in technology, the use of parental leave can be particularly damaging. According to a university employer in the UK, women who choose part-time work may find that they continue to work full-time schedules due to the demanding nature of their chosen field, even though they receive part-time wages. In addition, some part-time jobs have no career advancement opportunities and limited access to other benefits, such as payment during leave and training. Since employers tend to target their training to higher-skilled and full-time workers, employees who opt to work part-time may have fewer opportunities for on-the-job training that could help them advance, according to university researchers in the Netherlands.

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<sup>41</sup>According to government officials in Denmark, to counter gender discrimination, all private sector employers are required to contribute to a fund that pays for periods of leave on the basis of their number of employees, regardless of gender.

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## Concluding Observations

Workplace policies and practices of the countries we studied generally reflect cooperation among government, employer, and employee organizations. Many developed countries have implemented policies and practices that help workers enter and remain in the workforce at different phases of their working lives. These policies and practices, which have included family leave and childcare, for example, have been adopted through legislation, negotiated by employee groups, and, at times, independently initiated by private industry groups or individual employers.

U.S. government and businesses, recognizing a growing demand for workplace training and flexibility, also offer benefits and are seeking ways to address these issues to recruit and retain workers. Potentially increasing women's labor force participation by further facilitating a balance of work and family, and improving the skills of low-wage workers throughout their career, may be important in helping the United States maintain the size and productivity of its labor force in the future, given impending retirements. While other countries have a broader range of workplace benefits and flexibility and training initiatives, little is known about the effects of these strategies. Whether the labor force participation gains and any other positive outcomes from adopting other countries' policies would be realized in the United States is unknown. Moreover, any benefits that might come from any initiatives must be weighed against their associated costs. Nonetheless, investigating particular features of such policies and practices in some of the developed countries may provide useful information as all countries address similar issues.

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## Agency Comments

We provided a draft of this report to the Departments of Labor and State for review and comment. The Department of Labor provided technical comments on the draft report, which we have incorporated where appropriate. The Department of State did not have comments on this report.

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Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix IV.

A handwritten signature in black ink, reading "Sigurd R. Nilsen". The signature is written in a cursive style with a long horizontal stroke at the end.

Sigurd R. Nilsen  
Director, Education, Workforce,  
And Income Security Issues

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# Appendix I: Objectives, Scope and Methodology

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To describe the policies and practices implemented in other developed countries that may help women and low-wage/low-skilled workers enter and remain in the labor force, and to identify the factors that affected employees' use of workplace benefits and the resulting workplace implications, we conducted site visits or in-depth interviews with various officials in four developed countries—Canada, the United Kingdom (UK), the Netherlands, and Denmark. We selected Canada because of its limited government role in the economy, and the UK to compare policies with a European country that has a preference for a limited government intervention in labor markets, and because it recently implemented a law that encourages flexible work schedules. We selected the Netherlands as it has a higher proportion of part-time workers than any other country in Europe and has an extensive workforce development system. We selected Denmark because it has had work-family policies in place for more than 30 years, has a goal of gender-equitable labor force participation, and provides extensive training programs. We interviewed government officials, researchers, private employers, and trade associations or unions in each of the countries about their experiences with such policies and practices. We also visited Belgium to meet with officials from several European Union (EU) institutions, such as the European Commission and the European Foundation for the Improvement of Living and Working Conditions—organizations that provided a broader Europe-wide perspective on the selected policies and practices and current political environment across countries.

To examine the change in the targeted groups' employment following the implementation of the policies and practices, as well as to identify the factors that affected employees' use of workplace benefits and the resulting workplace implications, we conducted an extensive literature review of workforce flexibility and training strategies in a range of developed countries. Our literature reviews focused on cross-national studies that examined our selected countries. To identify relevant studies for our research, we conducted database searches, spoke with U.S. and international academics, and spoke with knowledgeable U.S. agency officials. We selected studies that had been conducted within the past 10 years, studies that included at least three of our selected countries, and studies that we determined were methodologically sound. Our review of these studies was limited to the extent that they were available in English. These reviews provided information on the policies and practices in use, their target population and purpose, related laws and regulations, and any changes in employment following the implementation of the policies and practices. Additionally, we reviewed research reports from the

Organisation for Economic Co-operation and Development (OECD) and the European Commission (EC).

We reviewed four other countries based on policies and practices they had implemented for our target groups. Information about these countries' policies/practices came from extensive literature reviews and discussions with U.S. and foreign-based researchers. The selected countries were Ireland, which has experienced a large decline in unemployment and low-paid work in the last decade and has a flexible labor market; France, which supports women's employment in part through universal childcare; Sweden, which has had work-family policies in place for more than 30 years; and New Zealand, which implemented legislation mandating that all employers provide a minimum number of paid sick days to workers as well as legislation mandating paid parental leave for certain employees.

To provide context, we identified relevant national policies in the United States. However, we did not conduct a comprehensive review of similar workplace flexibility and training strategies in the United States, nor did we seek to determine whether other countries' strategies could be implemented in the United States.

Additionally, our review of related laws and regulations of other countries relied on secondary sources of analysis rather than independent analysis of foreign laws. Our review of the laws and regulations was limited by the extent that specific information from secondary sources was accessible and written in English.

# Appendix II: Selected Labor Market Statistics

**Table 4: Educational Attainment Ages 25-64, 2004**

Country	Average number of years in formal education <sup>a</sup>			Percentage of population with a postsecondary education <sup>a</sup>
	Total	Men	Women	Total
Canada	13.2	13.2	13.3	45
The U.S.	13.3	13.2	13.4	39
Sweden	12.6	12.4	12.8	35
Denmark	13.4	13.5	13.3	32
The Netherlands	11.2	11.4	11.1	29
Ireland	13.0	12.9	13.1	28
The UK	12.6	12.7	12.4	26
New Zealand	12.6	12.6	12.6	25
France	11.6	11.7	11.4	24
OECD Average	11.9	11.9	11.8	25

Source: *Education at a Glance: OECD Indicators 2006* (OECD, 2006).

<sup>a</sup>Postsecondary education, often referred to internationally as tertiary education, includes undergraduate and postgraduate education, as well as vocational education and training.

Note: Educational attainment in these countries will vary by age group, i.e., whether individuals are 25-34, 35-44, 45-54, or 55-64.

**Table 5: Percentage of Full-time Workers Earning Less than Two-Thirds of the Median Wage of Full-time Workers**

Country	Year	
	Mid-1990s	2003-2004 <sup>a</sup>
The UK	19.5	23.4
The U.S.	25.1	23.3
Canada	22.3	22.3
The Netherlands	11	16.6
New Zealand	14.5	14.7
France	13.9	14.0
Ireland	23.5	13.7
Denmark	7.3	9.3
Sweden	5.7	6.4

Source: OECD data, <http://dx.doi.org/10.1787/184587347336>.

<sup>a</sup>Data for France are for 2001.

**Table 6: Public Expenditures on Training Programs**

<b>Country</b>	<b>Public expenditures on training as a percentage of GDP, 2003-2004</b>
Denmark	0.54
The Netherlands	0.36
Sweden	0.35
France	0.31
Ireland	0.18
New Zealand	0.18
The UK	0.13
Canada	0.12
The U.S.	0.05

Source: *OECD Employment Outlook 2006: Boosting Jobs and Income* (OECD, 2006).

Note: The expenditures on training include those for institutional training, workplace training, integrated training, and special support for apprenticeship programs.

**Table 7: Gross National Income, Per Capita, 2005**

<b>Country</b>	<b>Gross national income per capita, purchasing power parity (international dollars)</b>
The U.S.	\$42,000
Denmark	\$34,030
The UK	\$33,960
The Netherlands	\$32,970
Canada	\$32,770
Ireland	\$32,580
Sweden	\$32,440
France	\$30,540
New Zealand	\$25,450

Source: World Development Indicators Database, World Bank, Purchasing Power Parity (international dollars), 2007.

Note: Purchasing power parity (PPP) conversion factors take into account differences in the relative prices of goods and services and therefore provide a better overall measure of the real value of output produced by an economy compared to other economies. Because PPPs provide a better measure of the standard of living of residents of an economy than other measures, such as the Atlas method, they are the basis for the World Bank's calculations of poverty rates.

# Appendix III: Maternity, Paternity, and Parental Leave Provisions

**Table 8: Maternity Leave**

Country	Length of leave	Eligibility	Payment	Conditions
Canada	Length of leave for private employers governed by the provinces, which generally allow 17 weeks of unpaid leave.	Must generally have worked for the same employer for a continuous period that ranges from 13 weeks to 12 months. However, three provinces do not have this requirement.	Payment of 55 percent of average insured earnings, up to yearly maximum earnings of \$40,000, is available for a maximum of 15 weeks for women who have worked for at least 600 insured hours in the last year. Payment can begin up to 8 weeks prior to the expected birth.	2-week waiting period prior to receiving payment
Denmark	18 weeks	Must have been employed for at least 120 hours in the 13 weeks prior to the leave. Women who are self-employed, have completed vocational training for a period of at least 18 months, are doing paid work placement as part of a vocational training course, or are unemployed are also entitled to cash benefits.	Based on the hourly wage of the employee, up to a maximum. In 2003, on average, the compensation rate was 60–70 percent of former earnings.	Leave includes 4 weeks before the expected date of confinement and 14 weeks following confinement
France	16 weeks of maternity leave for a woman's first child, and 26 weeks for subsequent children		Generally paid at full earnings for women with a minimum level of social insurance contributions or hours worked	
Ireland	26 weeks of maternity leave, and 16 weeks of unpaid maternity leave		Generally paid at 80 percent of earnings, subject to a minimum and maximum payment, for women with a minimum level of social insurance contributions	
The Netherlands	16 weeks		100 percent of the daily wage, up to a maximum, which is paid by the general unemployment fund	Leave generally begins 6 weeks prior to the expected date of birth

**Appendix III: Maternity, Paternity, and Parental Leave Provisions**

<b>Country</b>	<b>Length of leave</b>	<b>Eligibility</b>	<b>Payment</b>	<b>Conditions</b>
New Zealand	14 weeks	Unpaid leave for 14 continuous weeks is available to women who do not meet minimum work eligibility requirements.	100 percent of weekly pay, up to a maximum, is available to women who have worked at least 10 hours per week in the 6 or 12 months preceding baby's expected date of birth.	Paid leave by women must be taken at the same time as unpaid leave for which they are eligible. If a woman's spouse or partner meets the eligibility criteria, the mother can transfer all or a part of this leave to them
Sweden	12 weeks		80 percent of earnings	Leave is for 6 weeks before and 6 weeks following the birth of a child
UK	52 weeks		90 percent or less of weekly average earnings is available for 39 weeks to women whose earnings qualify for the national insurance program and who have worked for the same employer continuously for 26 weeks prior to the 15th week before the child is due. Women who do not meet these requirements may receive payment of 90 percent or less of earnings for 39 weeks through a maternity allowance	Payment period for statutory maternity pay/allowance is 39 weeks

**Appendix III: Maternity, Paternity, and Parental Leave Provisions**

<b>Country</b>	<b>Length of leave</b>	<b>Eligibility</b>	<b>Payment</b>	<b>Conditions</b>
U.S.	12 weeks	Must have worked for employer for at least 1 year, and for over 1,250 hours during the last year.	Unpaid	Allows eligible employees to take up to 12 weeks of job-protected leave in a 12-month period for qualifying reasons, including the birth or placement of a child for adoption or foster care, the employee's own serious health condition, or to care for a qualifying family member with a serious health condition. Leave for the birth or placement of a child must conclude within 12 months of the birth or placement.

Source: GAO analysis of OECD, European Commission, and government and related Web sites

Note: We were unable to identify all recent or available information for each of the countries we examined.



**Appendix III: Maternity, Paternity, and  
Parental Leave Provisions**

**Table 9: Paternity Leave**

<b>Country</b>	<b>Length of leave</b>	<b>Eligibility</b>	<b>Payment</b>	<b>Conditions</b>
Canada	See table 10 on parental leave as paternity leave was largely replaced by this leave in the 1990s			
Denmark	2 weeks	Employed or self-employed	In 2003, on average, the compensation rate was 60-70 percent of former earnings	Must be taken continuously within 14 weeks following the birth
France	11 days, or 18 days, in the case of a multiple birth		Generally paid at full earnings for fathers with a minimum level of social insurance contributions or hours worked	Must be taken continuously
Ireland	No legal entitlement to paternity leave			
The Netherlands	2 days		Employer pays 100 percent of wages	
New Zealand	1 or 2 weeks	One week unpaid leave is available to partners with 6 months of eligible service and two weeks unpaid is available to those with 12 months of eligible service	Unpaid	
Sweden	10 working days		Paid at 80 percent of earnings	
UK	1 or 2 weeks	Must have worked for the same employer continuously for 26 weeks prior to the 15th week before the child is due	90 percent or less of average weekly earnings for those who qualify for the national insurance program. Those who do not qualify based on earnings may be eligible for other income support.	Leave must be completed within 56 days after the child's birth

**Appendix III: Maternity, Paternity, and Parental Leave Provisions**

<b>Country</b>	<b>Length of leave</b>	<b>Eligibility</b>	<b>Payment</b>	<b>Conditions</b>
U.S.	As with maternity leave, the Family and Medical Leave Act (FMLA) provides 12 weeks	Must have worked for employer for at least one year, and for over 1,250 hours during the last year.	Unpaid	Allows eligible employees to take up to 12 weeks of job-protected leave in a 12-month period for qualifying reasons, including the birth or placement of a child for adoption or foster care, the employee's own serious health condition, or to care for a qualifying family member with a serious health condition. Leave for the birth or placement of a child must conclude within 12 months of the birth or placement.

Source: GAO analysis of OECD, European Commission, and government and related Web sites

Note: We were unable to identify all recent or available information for each of the countries we examined.

**Appendix III: Maternity, Paternity, and Parental Leave Provisions**

**Table 10: Parental Leave**

<b>Country</b>	<b>Length of leave</b>	<b>Eligibility</b>	<b>Payment</b>	<b>Conditions</b>
Canada	Duration of leave ranges from 35 to 52 weeks, and is determined by the province.	Must generally have worked for the same employer for a continuous period that ranges from 13 weeks to 12 months. However, three provinces do not have this requirement.	Payment of 55 percent of average insured earnings, up to yearly maximum earnings of \$40,000, is available for a maximum of 35 weeks for parents with at least 600 insured hours in the last year.	2-week waiting period prior to receiving payment  Benefits can be claimed by one parent or shared between the two, but cannot exceed a combined maximum of 35 weeks.  When combined with maternity benefits, payment is available for up to 50 weeks.
Denmark	32, 40, or 46 weeks		60 percent of a worker's unemployment benefit, as reported in 2003	After the 14th week following the birth of a child, parents share this leave, which can be split or postponed, until the child turns 9. If parents choose the 40- or 46-week leave, their benefits are frozen to the amount paid for the 32-week leave.
France	Family entitlement to leave until a child reaches 36 months	Eligible for payment with two children if parents have worked for at least 2 of 5 years preceding birth; eligible for payment for three or more children if parents have worked for 2 years at any time in the 10 preceding birth	Flat-rate benefit payment within 6 months of maternity leave for one child, or immediately for 2 or more children	Leave can be taken by the mother or father, or can be shared following one another
Ireland	14 weeks	Generally must have been working for employer for one year	Unpaid	Both parents have a separate entitlement to 14 weeks of leave, which may be used until the child turns 8, and can be taken continuously or in separate blocks.  If the child has a disability, the 14 weeks of leave can be used until the child has reached age 16.

**Appendix III: Maternity, Paternity, and Parental Leave Provisions**

<b>Country</b>	<b>Length of leave</b>	<b>Eligibility</b>	<b>Payment</b>	<b>Conditions</b>
The Netherlands	Amount of leave is based on working hours and is calculated on a part-time basis over 13 weeks	Must have worked for the same employer for at least one year	Unpaid	Must be used before a child turns 8. With agreement from an employer, the leave can be split into a maximum of three parts.
New Zealand	52 weeks, less any maternity leave (maximum of 14 weeks)	Must have worked for the same employer for a minimum of 12 months	Unpaid, less any paid maternity leave (maximum of 14 weeks)	Leave can be taken simultaneously or consecutively and can be shared between parents where they are both eligible.
Sweden	480 days per family		For 390 days, 80 percent of previous income, up to a maximum, and a fixed daily rate for the remaining 90 days. Parents who were not employed before the birth of a child receive a flat daily rate for 390 days followed by a lesser amount for the remaining 90.	Of the 480 days, 60 days are set aside exclusively for each parent, and cannot be transferred while the remaining days can be shared.  Paid leave must be taken before a child turns 8 and can be taken continuously or in blocks.
UK	13 weeks, or 18 weeks for parents of children with disabilities	Must have completed a year of continuous service with current employer	Unpaid	Leave can be taken until the child turns 5 and in short or long blocks, with the consent of an employer
U.S.	As with maternity leave, the Family and Medical Leave Act (FMLA) provides 12 weeks	Must have worked for employer for at least 1 year, and for over 1,250 hours during the last year.	Unpaid	Allows eligible employees to take up to 12 weeks of job-protected leave in a 12-month period for qualifying reasons, including the birth or placement of a child for adoption or foster care, the employee's own serious health condition, or to care for a qualifying family member with a serious health condition. Leave for the birth or placement of a child must conclude within 12 months of the birth or placement.

Source: GAO analysis of OECD, European Commission, and government and related Web sites

Note: We were unable to identify all recent or available information for each of the countries we examined.

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# Appendix IV: GAO Contact and Staff Acknowledgments

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## GAO Contact

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## Acknowledgments

Diana Pietrowiak, Assistant Director; Gretta L. Goodwin, Senior Economist; Avani Locke, Senior Analyst; and Seyda Wentworth, Senior Economist made significant contributions to all phases of this report. Stephanie Toby, Analyst, made significant contributions to data collection, data analysis, and message and report development. Sheila R. McCoy provided legal assistance; Gregory Wilmoth provided methodological assistance; and Charles Willson, Communications Analyst, assisted with report development.

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*An Assessment of Dependent Care Needs of Federal Workers Using the Office of Personnel Management's Survey.* [GAO-07-437R](#). Washington, D.C.: March 30, 2007.

*Highlights of a GAO Forum: Engaging and Retaining Older Workers.* [GAO-07-438SP](#). Washington, D.C.: February 2007.

*Workforce Investment Act: Employers Found One-Stops Centers Useful in Hiring Low-Skilled Workers; Performance Information Could Help Gauge Employer Involvement.* [GAO-07-167](#). Washington, D.C.: December 22, 2006.

*Employee Compensation: Employer Spending on Benefits Has Grown Faster Than Wages, Due Largely to Rising Costs for Health Insurance and Retirement Benefits.* [GAO-06-285](#). Washington, D.C.: February 24, 2006.

*Social Security Reform: Other Countries' Experiences Provide Lessons for the United States.* [GAO-06-126](#). Washington, D.C.: October 21, 2005.

*Child Care: Additional Information Is Needed on Working Families Receiving Subsidies.* [GAO-05-667](#). Washington, D.C.: June 29, 2005.

*Workforce Investment Act: Substantial Funds Are Used for Training, but Little is Known Nationally about Training Outcomes.* [GAO-05-650](#). Washington, D.C.: June 29, 2005.

*Highlights of a GAO Forum: Workforce Challenges and Opportunities for the 21st Century: Changing Labor Force Dynamics and the Role of Government Policies.* [GAO-04-845SP](#). Washington, D.C.: June 2004.

*Women's Earnings: Work Patterns Partially Explain Difference between Men's and Women's Earnings.* [GAO-04-35](#). Washington, D.C.: October 31, 2003.

*Older Workers: Policies of Other Nations to Increase Labor Force Participation.* [GAO-03-307](#). Washington, D.C.: February 13, 2003.

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