

*Aims and Outcomes of Recent Changes to Swedish Family Policy:  
Contradictions Within a Social Democratic Welfare Model*

**Kimberly Earles, PhD**  
Sessional Lecturer  
Department of Political Science  
University of Guelph  
[kiearles@uoguelph.ca](mailto:kiearles@uoguelph.ca)

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## **Introduction**

Since the 1970s, Sweden has been relatively unique in its focus on implementing programs and services that help both women and men to balance family and paid employment. Since this time, family policy in Sweden has largely had a gender equality focus, particularly around women's labour force participation and men's role in childrearing. The childcare and parental insurance systems in particular have sought to increase women's labour force participation while, at the same time, aiming for a more equal distribution of childrearing responsibilities between mothers and fathers, what Korpi, Ferrarini and Englund (2009) refer to as the 'earner-carer model.'<sup>1</sup> However, more recent family policy reforms, adopted by the current centre-right government, reveal both continuity and change, with certain policies following in this social democratic tradition of encouraging employment and equality, with others contradicting these goals. Recent reforms include tax deductions for household services, a home care allowance for parents who stay at home with children between the ages of one and three, and a gender equality bonus for couples who share parental leave benefits more equally.

While the three reforms are linked by the centre-right government's desire to introduce more individual 'choice' into family policy, the outcomes of the three reforms are different. For example, the care allowance encourages women to stay out of the labour market for extended periods, while the other reforms encourage women to remain in the labour market. The care allowance also encourages a step backward in terms of gender equality, while the gender equality bonus in parental leave encourages a step forward. The home care allowance reinforces a gendered division of labour with class and gender implications. Thus, the recent reforms in Swedish family policy are contradictory in their nature, and will prove to have conflicting outcomes, particularly in terms of gender and class equality.

To provide some context for these recent reforms, the development of childcare and parental leave policies will be analyzed briefly in relation to Sweden's social democratic goals of full employment and gender equality. Then, in order to determine the reasons behind the introduction of recent family policy reforms, an analysis will be provided of the centre-right government's stated purpose in implementing each reform, as well as the debate that has ensued between the government and opposition parties. A preliminary analysis of the outcomes will be provided by looking at which groups are most affected by each reform, and what the outcomes will be for equality within the Swedish social democratic welfare model, particularly in relation to women's employment and the gendered division of labour in the home.

### **Women's Employment**

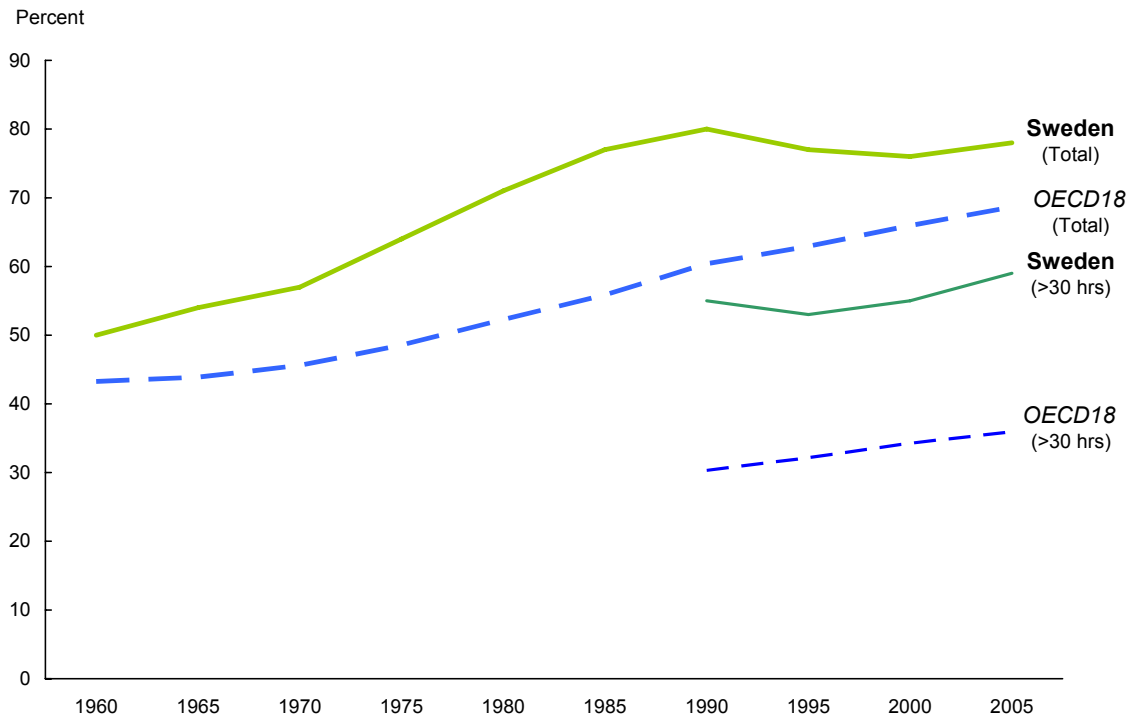
The history of social democracy in Sweden is rooted in a model of full employment, which has allowed the development of a comprehensive social democratic welfare state. In post-war Sweden, open unemployment remained under 3 per cent (Esping-Andersen 1990), exceeding this benchmark only three times from 1950-1991 (Olsen 2002). However, the model of full employment in Sweden has differed from other nations since the 1970s in that full employment applies to both women and men, as women's labour force participation is just as important and just as needed in the Swedish

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<sup>1</sup> Tommy Ferrarini and Ann-Zofie Duvander (2010) point out that Sweden's earner-carer model is generally viewed as resting on three central pillars: the parental leave system, the childcare system, and individual taxation, introduced in 1971.

system. In 1939 married and pregnant women gained the legal right to retain employment, but until the 1960s, women were still largely viewed as housewives and mothers, and treated as such by the state.<sup>2</sup> However, beginning in the 1960s, Swedish women were encouraged into the labour force in order to fill Sweden’s continuing post-war labour shortage.<sup>3</sup> This marked the end of the male breadwinner model in Sweden and the beginning of the development of a dual-earner model.

**Figure 1: Female labour force participation (total and over 30 hours per week)† in Sweden and 18 OECD countries†† (average) 1960-2005, women aged 15-64, in percent**



\***Source:** Ferrarini and Duvander (2010)

† Data that enables a distinction between full-time and part-time work only exists for most countries from the early 1990s.

†† The 18 OECD countries include Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States.

<sup>2</sup> Jane Jenson and Rianne Mahon (1993: 83-84) argue that married women “were largely denied support for their participation in the labour market” during the 1940s and 1950s, as the state preferred to focus on benefits to encourage women to have children, such as free maternity care and child allowances; during this time, the state recognized “maternity as women’s most important social role.”

<sup>3</sup> Ulla Björnberg and Lillemor Dahlgreen (2003) provide an analysis of the changes to the organization of Swedish labour in the post-war period. In the immediate post-war period, industrial manufacturing was still a significant part of the economy; here, importing foreign labour was cost-effective, as education and language skills were not crucial. However, the rise of service sector occupations made Swedish women attractive potential employees over immigrants, both for the state and for the trade unions.

During the 1960s women's labour force participation rose to more than 50 per cent, increasing further to 63 per cent in 1970, and 81 per cent in 1980, where it has remained fairly constant ever since (Gustafsson and Jacobsson 1985, Hoem 1995).<sup>4</sup> By the early-1990s, women constituted 48 per cent of the Swedish labour force (Olsen 2002), the highest percentage anywhere in the world.<sup>5</sup> And even today with rising unemployment due to the financial crisis, women appear to be fairing better than men in Sweden, as their unemployment levels have been slightly lower than men's since December of 2008 (Statistics Sweden 2009a, 2010a).<sup>6</sup> As Figure 1 demonstrates, Swedish women's labour force participation has remained higher than in other Organization for Economic Co-operation and Development (OECD) countries since the 1960s, and that almost twice as many Swedish women than the OECD average work at least 30 hours per week. The statistics demonstrate that women, even married women and women with young children, began entering the labour market in greater numbers prior to the development of childcare and parental leave policies in Sweden. However, it was then these women who were engaged in paid labour, as well as the trade unions that represented them, who pushed for the introduction and development of such family policies.

### **Childcare**

The result of the increase in women's employment in the 1960s and 1970s was falling birthrates, and subsequent concern about population policy (Daune-Richard & Mahon 2001). Swedish fertility rates were close to an average of 3 children per woman in the late 1940s and early 1950s, before dropping to just over 1.5 in the late 1970s and early 1980s as more women entered the labour market and delayed having children or had less children. Swedish family policy aimed to address this situation, and resulted in an increase in fertility rates, to 2.14 in 1990 before a decrease due to the economic crisis of the 1990s, to a level of 1.91 today (Hoem and Hoem 1996, Statistics Sweden 2004, 2009b). While this number is still below the necessary replacement rate of 2.1 children per woman, it is the second highest fertility rate among European Union member states, where fertility rates range from a low of 1.2 in the Czech Republic, Poland and Slovakia, to a high of 2 in Ireland (Hausman, Tyson and Zahidi 2008).

In addition to population concerns, there was a growing demand by parents and female workers for the expansion of public childcare facilities (Swedish Institute 2004a).<sup>7</sup> Both were clearly important factors in the development and expansion of the public childcare system in Sweden. These concerns were met with the development of policies that encouraged women to be both mothers and workers. From the mid-1960s, the Swedish Trade Union Confederation (LO) became the leading advocate for the expansion

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<sup>4</sup> The increase in women's labour force participation also included married women and women with children under 7; these groups of women saw their labour force participation rates rise from below 50 per cent in the 1960s to over 75 per cent in 1980 (Gustafsson and Jacobsson 1985, Hoem 1995).

<sup>5</sup> The majority of women who are not in the labour force in Sweden are pursuing educational studies, are on long-term sickness benefits, live abroad, or are completing military service; only 2 per cent of women not in the labour force count housework as their main activity (Statistics Sweden 2004).

<sup>6</sup> Unemployment rates in the fourth quarter of 2009 were 8.6 per cent for men and 7.8 per cent for women (Statistics Sweden 2010a).

<sup>7</sup> For example, in 1963 only 3 per cent of all pre-school children were in public childcare, while about 36 per cent of all mothers of pre-school children were in the paid labour market (Nyberg 2004), which demonstrates the absolute need for expanded childcare at this time.

of public childcare in Sweden (Daune-Richard & Mahon 2001). And thanks to LO's strong ties with the Social Democratic Party (SAP), childcare was given high priority on the political agenda, and the number of publicly provided municipal childcare spaces increased rapidly from the late 1960s onward, from under 12,000 in 1965 to over 136,000 in 1980, to nearly 730,000 childcare spaces in 2002 (Curtin 1999, Daune-Richard & Mahon 2001, Swedish National Agency for Education 2003). This was partly the result of lobbying by key women in the trade-union and political spheres, as well as the state's own agenda to foster an environment where women could work outside of the home while still having children. The Swedish welfare state recognized access to reliable childcare as a basic requirement of a society in which the majority of both parents work outside of the home.

The childcare system that exists in Sweden today contains many interesting developments. First, every parent in Sweden is guaranteed a childcare space without 'undue delay' (Bergqvist and Nyberg 2002), which generally translates to within 3 months of requesting a space, making the system extremely accessible. Second, in 2002 the state introduced a system of maximum fees that the municipalities could charge for childcare, which made the system even more affordable, as parents are now charged no more than 1 to 3 per cent of their income in childcare fees, depending on the number of children in the family who are enrolled in childcare (Swedish National Agency for Education 2007). Third, the system is more inclusive than ever, incorporating more categories of children in the past decade. In July 2001 the government expanded childcare to include children of parents who are unemployed and in January 2002 to include children of parents who are on parental leave looking after a sibling. Fourth, the system has taken on an increasingly educational focus since 1996 when the responsibility for childcare was moved from the Ministry of Health and Social Affairs to the Ministry of Education and Science (Swedish National Agency for Education 2004). As a result, in 1998 a new pre-school class for 6-year-olds was introduced, which is technically voluntary but virtually all 6-year-olds who have not yet started compulsory school attend (Swedish Institute 2004a). And, in 2003 all children aged 4-5 became entitled to 525 hours of free attendance in childcare per year, something which has recently been expanded to include 3-year-olds as well. These free pre-school hours are a reflection of the state's attempt to encourage more children to attend pre-school to start to engage in the process of lifelong learning from an early age.

These changes have resulted in a more universal childcare system, and one that the OECD (2001) supports as a model for other countries. Today in Sweden, 95 per cent of children aged 1-5 attend pre-school, and 74 per cent of children aged 6-9 attend leisure-time centres. This illustrates how a public childcare system marked by low fees and a high level of legitimacy, quality and accessibility is now an integral feature of Sweden's welfare state (Swedish Institute 2004a). The system also offers parents, and particularly mothers, more opportunities to engage in paid labour, while also having children, the result being high labour market participation rates for women and higher fertility levels than in many other European nations, as discussed above.

## Parental Leave

Parental leave was introduced in Sweden in 1974, replacing maternity leave, which had focused solely on mothers (Daune-Richard & Mahon 2001).<sup>8</sup> Women's increasing levels of employment, particularly among married women and women with small children, was the impetus for the creation of the parental leave system. At the time there were differing opinions on how to best deal with this new reality of women's employment – there were calls for the creation of a care allowance which would allow women to stay at home for long periods to take care of their children, and there were calls for the development of childcare and the improvement of working conditions. Thanks to the hard work and influence of the LO with the Social Democratic Party, the development of childcare and parental leave, as well as the improvement of working conditions, became the favoured option in Sweden (Lindberg Interview 2005). In fact it was a 1969 LO family policy document which outlined a parental leave system based on the norm of a dual-earner family, which was influential in the development of the Swedish parental leave system in 1974 (Mahon 1999). In the end there has been a great deal of agreement among the political parties about the necessity of parental leave as a complement to the development and expansion of the childcare system.

The main objectives behind the parental insurance system in Sweden are the well-being of the child, women's economic independence, and the involvement of fathers in family and home life. The last two objectives are related directly to gender equality, with an emphasis on an earner-carer model and a more equal division of household responsibilities, particularly around childrearing (Drew 2005). For even in the late 1960s and early 1970s, the Family Policy Committee that proposed the parental leave system had discussed whether or not to add an additional month reserved solely for the father. In the end, the majority of the members of the committee voted against such an idea (Lindberg Interview 2005), but the discussion had begun.

In terms of fathers' usage of parental leave, in 1974 when the system was introduced only 3 per cent of those who accessed parental leave were fathers, and they took less than 1 per cent of the total days available (Nyberg 2004). While this number has increased, it has not increased as quickly as the architects of the system had hoped (Lindberg Interview 2005). For example, by 1992, 48.3 per cent of fathers took an average of 63 days leave (Daune-Richard & Mahon 2001). While this was an improvement, further reforms were taken in the 1990s and 2000s in an attempt to encourage mothers and fathers to share parental leave more equally. In 1995 the first 'fathers' month' was introduced, which meant that thirty days of leave could no longer be transferred to the other parent (Nyberg 2004). In 2002 this was extended to two months per parent (Berg 2005). By 2008, men were using an all-time high of 22 per cent of parental leave, an increase of 5 per cent in just 5 years (Ferrarini and Duvander 2010, Drew 2005). While this is not anywhere near equal, there has certainly been movement in a positive direction since the introduction of both reserved months.

When parental leave was first introduced it consisted of 6 months of leave per child, which parents could divide in any way, at a 90 per cent income replacement rate (Nyberg 2004). Over time the length of leave has been extended a number of times and the replacement rate has been reduced. Today, the parental leave system offers parents 13

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<sup>8</sup> Sweden's earnings-related parental leave system was the first in the world to entitle both mothers and fathers to its use (Ferrarini and Duvander 2010).

months leave per child at an 80 per cent income replacement rate, with an additional 3 months available at a flat-rate.<sup>9</sup> The total of 16 months currently available to parents includes two months reserved for mothers and two months reserved for fathers, leaving twelve months to be divided as the parents wish. The parental leave system in Sweden is very flexible, allowing parents to use parental leave until the child's eighth birthday in a variety of ways, from full-time leave to part-time work and part-time leave (Swedish Institute 2004b). Due to the generosity and flexibility of the parental leave system, it is very popular, with 97 per cent of parents using at least some of the income-related days, and 90 per cent using at least some of the flat-rate days; in addition, 60 per cent of families use their full entitlement (Nyberg 2004). There are virtually no mothers in Sweden who do not take advantage of the parental leave system, and most use at least 6 months of leave (Bygren & Duvander 2005).

In April 2004 the government appointed a commission to examine the parental leave and benefits systems, to determine whether the system works in the best way for children and contributes to greater equality between women and men (Berg 2005). The commission, headed by Karl-Petter Thorwaldsson, a senior official at the Swedish Metalworkers' Union, was made up of many experts in various fields from economics to psychiatry (Thoursie Interview 2005). On September 15, 2005 the Thorwaldsson Commission presented its proposals which included a recommendation to increase paid parental leave to 15 months which would be divided into 5 obligatory months for the mother, 5 obligatory months for the father, and 5 months for the parents to split as they wished; in addition, all mothers would have the right to 30 days leave before the birth, and the parents could take 30 days leave together after the birth (Berg 2005). These recommendations are very controversial, supported by some, but lacking support in the general population.

One of the major issues behind the current debate over parental leave is the fact that the parental leave system has actually had some unintended negative side effects for women's labour force participation. While parental leave has been successful in ensuring women's labour force attachment before and after having a child, there have been negative consequences as well. Because women take the majority of parental leave, employers seeking to hire new employees or to promote employees see women as more of a risk, leading to statistical discrimination. This is cause for concern for the Swedish state, as gender equality and full employment are two underlying goals of the welfare state. Anna Thoursie, an economist at the LO and Thorwaldsson Commission member, suggests that if both mothers and fathers had a fixed number of months under the parental leave system, then employers would be forced to adjust their expectations (Thoursie Interview 2005). The OECD has also concluded that due to the generosity of the Swedish parental leave scheme, women's labour market prospects are being harmed – that the parental leave system is having detrimental longer-term effects on women's career prospects (OECD 2005a, 2005b).<sup>10</sup> The Ministry of Finance in Sweden found that

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<sup>9</sup> In addition, those parents who do not qualify for parental leave benefits, as they are tied to employment, are entitled to 16 months at a daily flat rate of 180 Swedish kronor per day (Drew 2005).

<sup>10</sup> There is also evidence that women's earnings are harmed by taking advantage of Sweden's long parental leave. Elly-Ann Johansson, who carried out a study for the Institute for Labour Market Policy Research in Sweden, found that for couples who share the leave more equally, women enjoy higher earnings upon returning to work (The Local 2010).

employers exclude women from occupations where absence is costly, resulting in a gender-segregated labour market (Nyberg 2004). Many of the trade unions and left-wing political organizations of youth and women believe that parental leave should be divided equally between the parents in order to remedy this situation (Berg 2005), as does the ombudsman for gender equality, Anne-Marie Bergström (The Local 2008a).

The LO, the Left Party,<sup>11</sup> the Green Party, as well as the Social Democratic Women's Federation and the Social Democratic Youth League are all in favour of the commission's proposals; the Social Democratic Party, however, is more reluctant as it fears the Swedish people are not behind such a reform (Berg 2005). In the case of parental leave, popular opinion has constantly lagged behind more progressive politics. For example, before the first father's month was introduced, surveys showed a majority were not in favour; similar results were found before the second father's month was introduced, although a majority was now happy with the one month that had already been introduced (Ferrarini Interview 2005). As such, politicians have had to walk a fine line when it comes to how far to push their citizens in the direction of gender equality, although the citizens do tend to support such changes after they are introduced. A recent report by the Swedish Confederation for Professional Employees indicates that, at the current pace of change, it would take another 51 years before Swedish parents would achieve an equal sharing of parental leave (Vinthagen Simpson 2010a).

While the Social Democratic Party did nothing to implement the proposals of the Thorwaldsson Commission prior to losing the 2006 election, the party has, more recently, spoken out in favour of increasing individualization within the parental leave system. For example, in 2008 SAP leader Mona Sahlin stated, "The question is not whether we are going to share parental leave, but how... I don't think that we can get at the statistical discrimination currently experienced by all women of a fertile age in Sweden unless dads also have their foreheads tattooed so that employers can see and realize that this man could also be away, this man could also become a father" (as quoted in O'Mahony 2008). The solution proposed by the Social Democrats is to increase the individual quotas within the system in the short-term, leading to an outright individualization in the long-term (Vinthagen Simpson 2008).

### **Recent Family Policy Reforms**

After winning the 2006 Swedish election, the centre-right government, comprised of the Moderate, Liberal, Centre and Christian Democratic parties, began implementing new family policy reforms. These reforms include tax deductions for household services, a flat-rate home care allowance, and a gender equality bonus for couples who share parental leave benefits more equally. The first two reforms indicate a break with previous family policies, while the gender equality bonus represents a continuation of Sweden's earner-carer model, where family policy is focused on enhancing women's labour force participation and men's role in child-rearing. Interestingly, all three reforms fall in line with the centre-right government's stated purpose of enhancing individual choice in terms of family policy (Ferrarini and Duvander 2010).

The tax deductions for household services, introduced in July 2007, allow households to deduct 50 per cent of the costs of household services up to a maximum deductible amount of SEK 50,000 per household member per year. Such household

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<sup>11</sup> The Left Party recently announced its 2010 election platform, which includes dividing parental leave into thirds, in line with the Thorwaldsson Commission's recommendations (Vinthagen Simpson 2010b).



services include gardening, cleaning, cooking, and childcare within the home. When proposing this reform, the centre-right government declared its intentions as twofold: 1) to help dual-earner families where both parents work full-time, and 2) to create a formal private market for care services in Sweden (Ferrarini and Duvander 2010). The early evidence shows that it is mainly the wealthy and the elderly who are taking advantage of such tax deductions, not the average dual-earner family. After being introduced mid-way through 2007, 46,000 people (0.6 per cent of the population) received tax deductions for household services in 2007 and 92,000 people received deductions the following year, in 2008 (Statistics Sweden 2009c, 2010b). In 2007 tax deductions were most common among female pensioners, not the target audience of dual-earner couples with small children.

In addition, 4 per cent of those with annual incomes greater than SEK 500,000 received tax deductions in 2007, versus 0.03 per cent of those with annual incomes less than SEK 300,000 (Statistics Sweden 2009c), demonstrating a clear class divide in who is using tax deductions for household services. By 2008 this class divide had widened even further, with only 0.06 per cent of those with annual incomes of less than SEK 200,000 claiming tax deductions, while 7 per cent of those with annual incomes over SEK 500,000 successfully claimed deductions (Statistics Sweden 2010b). Thus, one could argue that the government has succeeded in its goal of creating a private market for care services,<sup>12</sup> but has failed in its goal to assist dual-earner families, with the exception of the most wealthy. LO Chair Wanja Lundby-Wedin argued that the “tax deduction on domestic services would not increase gender equality,” and that attempts to encourage women’s labour force participation by offering tax incentives to hire domestic work has obvious class implications, as it is generally women from a lower class who take on this domestic work, which allows middle- and upper-class women to enter the labour market without having to work a ‘double shift’ – one in the paid public sphere and one in the unpaid private sphere (Brunk 2008).

Political opposition to the tax deductions for household services remains strong among the Left and Green parties, while the Social Democratic Party originally promised to abolish the policy if it were to return to power in the 2010 elections, but then re-considered and indicated that it may keep the policy but in a modified form (Sullivan 2010). In fact, several leading Social Democrats have been found to be users of the system, such as former SAP Prime Minister Göran Persson. While in power, Persson was completely opposed to such a system,<sup>13</sup> but since it was introduced, he and his wife have made maximum use of the tax deductions (The Local 2008b). However, in March of this year, the Social Democratic, Left and Green parties came out as a united front against the tax deductions, promising to abolish the initiative if elected in the fall (Vinthagen Simpson 2010d).

Like the tax deductions for household services, the flat-rate home care allowance, introduced in 2008, also has both gender and class implications for Swedish society. The

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<sup>12</sup> Reinfeldt claims that the system of tax deductions for household services has created 7,000 jobs in the private service sector (Vinthagen Simpson 2010c).

<sup>13</sup> In a televised leaders debate in the 2006 election campaign, Persson stated “The Swedish people should not have to pay for Reinfeldt’s cleaning,” referring to Moderate Party leader and current Prime Minister Fredrik Reinfeldt, who was in favour of the system of tax deductions for household services (The Local 2008b).

allowance gave municipalities the option to provide an untaxed benefit of SEK 3,000 per month to a parent on leave with a child between the ages of one and three, who is not enrolled in public pre-school. There is no previous work requirement for the allowance, although it is to be used after parental leave has been exhausted, and requires that the other adult in the house be engaged either in employment or education. The experience of other countries with similar allowances, such as Norway, indicates that it is a) mainly used by mothers, not fathers, and b) that it can lead to further labour market marginalization of those lower educated women who tend to take advantage of the leave (Ferrarini and Duvander 2010, Westlund 2007), thus demonstrating both the gender and class implications. The introduction of such a leave appears to go against the dominant gender paradigm in Sweden, which encourages full female employment throughout one's adult life, with the exception of periods of parental leave.<sup>14</sup>

By encouraging (particularly) women to detach from the labour force for several years, the home care allowance threatens women's economic independence while, at the same time, reinforces the notion that child-rearing is predominantly a woman's responsibility.<sup>15</sup> Thus, it does nothing to encourage men's role in child-rearing, which, again, goes against the direction of previous family policy initiatives (Westlund 2007). In addition, the allowance has not proven to be popular with Swedish-born parents, but is becoming more popular with immigrants who face greater labour market marginalization. This was the fear of the Swedish Teachers Union, which issued early warnings about the allowance's potential for segregation and isolation among immigrant communities in Sweden (Landes 2010a). As such, the home care allowance could be detrimental to the gender equality project in Sweden, which has, for more than 40 years, tried to move away from traditional gender roles and norms. It may also have broader implications for gender equality among immigrant communities, as well as employment levels among immigrant women in Sweden.

Unlike the tax deductions for household services and the home care allowance, the gender equality bonus in parental leave represents a continuation of Sweden's earner-carer model. After the Thorwaldsson Commission on parental leave released its report in 2005, the Confederation of Swedish Enterprise, as well as the Moderate and Liberal parties, all came out against the recommendation to further individualize parental leave. Instead, they re-asserted that parental leave should be left to individuals to choose how they wish to share it (Berg 2005). As such, the current centre-right government introduced an equality bonus in July 2008 for couples that share parental leave equally; the bonus encourages the lower income earner (usually the woman) to return to work earlier and the higher income earner (usually the man) to take their share of parental leave (Ministry of Finance 2007, The Local 2007).<sup>16</sup> For low and medium income families, the bonus meant that it became more financially advantageous to share leave more equally than not (Ferrarini and Duvander 2010).

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<sup>14</sup> The current centre-right government, which introduced the home care allowance, re-asserted its commitment to full employment in 2008 when it stated, "The long-term goal of the Swedish Government's labour market policy is to achieve full employment" (Ministry of Employment 2008).

<sup>15</sup> The Left Party argues that the home care allowance is a "direct anti-feminist reform that encourages women to stay at home and be supported by their husbands" (The Local 2009).

<sup>16</sup> For a more technical discussion of the parental leave gender equality tax bonus, see Ferrarini and Duvander (2010).

The gender equality bonus in parental leave continues the tradition of encouraging female employment and fathers' involvement in child-rearing, while also fitting neatly with the neoliberal ideology of the centre-right parties and the accompanying 'freedom of choice' concept that informs their policies. As such, the policy has few detractors. However, as Ferrarini and Duvander (2010) point out, the bonus is technically complicated and it may take a year before couples receive payment. As such, to date the reform has not had the desired result of a more equal sharing of parental leave. A study conducted by the National Social Insurance Board indicated that there has been no perceptible change in behaviour among mothers and fathers regarding the sharing of parental leave after the reform was introduced (Vinthagen Simpson 2010e). As a result, the Moderate Party has promised to revise the bonus in its current election platform (Landes 2010b).

### **Conclusions**

These recent family policy reforms are contradictory in a number of ways. First, the gender equality bonus in parental leave encourages a more gender equal sharing of childcare in the home, while the tax deductions for household services and the home care allowance do not. In fact, the home care allowance reinforces the notion that such work is 'women's work,' and the tax deductions on household services allow couples to out-source the work to a domestic nanny, again, usually a woman of a lower class. Second, the tax deductions for household services encourage men's and women's labour force participation, while the home care allowance encourages one parent, usually the mother, to detach from the labour market for up to 3 years, including time spent on parental leave. This disincentive to work flies in the face of not only the rest of Sweden's family policy, but most other welfare state policies, where there is a strong emphasis on incentives to work. And, third, the tax deductions for household services and the home care allowance contradict Sweden's social democratic goals of equality, both in terms of gender and class, by reinforcing that childcare and domestic work are 'women's work,' by creating a private market for such service work, and by encouraging lower educated and immigrant women to detach from the labour market for a period to provide unpaid childcare in the home. Thus, gender and class inequalities may be exacerbated by the tax deductions for household services and the home care allowance, placing Sweden's earner-carer model under threat.

In order to understand the seemingly contradictory policies introduced by the current centre-right government, one must understand the dynamics within the centre-right alliance of four political parties. The Liberal and Christian Democratic parties, in particular, hold competing views on women's paid employment and gender roles.<sup>17</sup> The Liberal Party has long supported the earner-carer model, which encourages both men and women to engage in paid labour and unpaid caring work in the home. The Christian Democrats, on the other hand, support a more traditional view of the family and men's and women's roles within the family. While the flat-rate home care allowance, for

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<sup>17</sup> The same debate emerged among the centre-right coalition government in the early 1990s. The Christian Democratic Party fought for the introduction of a home care allowance then also, but due to internal conflict among the governing parties on this issue, the home care allowance was only introduced in 1994, late in their term as government. When the Social Democratic Party returned to power in the fall of 1994, the care allowance was abolished as one of the party's first acts of government, which meant that the allowance only existed for a few months in 1994.

example, is framed in gender neutral language, it is underlined by the Christian Democrats' support for mothers who prefer to stay at home for a period of time with their young children, rather than sending them to the public childcare system. Due to the competing ideologies within the centre-right alliance, compromises have been made and contradictory policies have been adopted in relation to gender equality.

One may also understand the introduction of tax deductions for household services in the wake of a scandal that hit the centre-right parties almost immediately upon winning the 2006 election. Within a two day period, two government members, Maria Borelius and Cecilia Stegö Chilò, were forced to resign after it came to light that each had employed nannies and paid them cash to avoid paying employer's taxes. Each woman also admitted to other forms of tax fraud, such as employing black market cleaners, not paying television license fees, and avoiding paying property tax on a summer house by registering it to a corporation (Watt 2006, O'Mahony 2006). This scandal is an illustration of the larger 'maid debate' (*pigdebatt*) within Swedish society since the mid-1990s, which focuses on the problems associated with middle-class women hiring (female) domestic workers so that they may better balance work and family life (Bowman and Cole 2009).

The examples of childcare and parental leave are areas that clearly support women's employment and a more gender-equal distribution of child-rearing responsibilities in Sweden. The proportion of working women with small children in Sweden, as well as the increased number of fathers taking a share of parental leave is evidence of this. However, certain recent reforms introduced by the centre-right government threaten this link between family policy and the equal distribution of both paid and unpaid work among men and women in Sweden. Both the tax deductions for household services and the home care allowance appear to be steps down a different path, one that reinforces the notion that domestic work, including childcare, is 'women's work,' one that exacerbates class and gender inequalities. While these reforms appear contradictory to past family policies, they are also somewhat contradictory in and of themselves, as tax deductions for household services encourage women's employment, while the home care allowance does the opposite. In the end, these policies are not used by a majority of Swedes, as the norms of women's paid employment and public childcare are deeply entrenched, however they do hold the potential to erode such norms over time, particularly for certain groups, such as low educated or immigrant women. Thus, the broader challenge to gender and class equality in Sweden will depend on whether these reforms become further entrenched in society or whether they remain marginal policies used by a small percentage of the population.

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