



Parental leave and family-friendly employment policies in selected places

FS07/16-17

1. Introduction

1.1 At its meeting of the Panel on Manpower held on 18 April 2017, the Research Office had presented the major findings of the information note entitled "Paid maternity leave in selected places" published in February 2017.¹ After a brief discussion of the findings, members would like to seek additional information on (a) unpaid parental leave in Taiwan; (b) shared parental leave in the United Kingdom ("UK"); (c) the unemployment rate and fertility rate in selected places and their implications for the statutory provisions of maternity leave; and (d) major family-friendly employment policies in these places. The supplementary information under request is summarised in the ensuing sections for members' reference.

2. Unpaid parental Leave in Taiwan

2.1 While paid maternity leave lasts for eight weeks in Taiwan, mothers may take unpaid parental leave to take care of their newborn children after the end of maternity leave. According to the Article 16 of the Act of Gender Equality in Employment enacted in 2002, either fathers or mothers are entitled to unpaid parental leave to take care of their infants if (a) the employees concerned have a child under the age of three; (b) the employees have been under employment for six months or more; and (c) the spouses of the employees concerned are also employed. The unpaid parental leave is up to two years and ends once the child reaches the age of three.²

¹ See Legislative Council Secretariat (2017). The selected places covered in the report are Singapore, South Korea, Taiwan, Japan, the United Kingdom, Sweden, Canada and the United States ("US").

² The employees have the rights to revert to the original position upon the end of the unpaid parental leave.

2.2 Taiwanese employers are not required to shoulder the cost of unpaid parental leave. However, pursuant to the Employment Insurance Act amended in 2009, employees who take unpaid parental leave may apply for parental leave allowance which is equivalent to 60% of the average monthly salary, with a maximum payment period of six months per child.³

3. Shared parental leave in the United Kingdom

3.1 On top of the maternity leave of up to 52 weeks, there is also statutory shared parental leave ("SPL") in the UK, giving parents more flexibility in taking leave to take care of their newborn children. According to the Shared Parental Leave Regulations 2014, fathers and mothers who have worked continuously for the same employers for at least 26 weeks are entitled to SPL of up to 50 weeks, within which 37 weeks are paid, and the SPL can be shared between the parents upon meeting certain eligibility criteria.⁴ Here are some of the key features of the SPL:

- (a) **Relationship with maternity leave:** After taking the first two weeks of mandatory maternity leave after giving birth, mothers need to choose between the remaining maternity leave and SPL, both up to 50 weeks. In other words, mothers cannot take both types of leave at the same time, after the first two weeks of maternity leave.
- (b) **More flexibility for parents in taking leave:** SPL gives both fathers and mothers more flexibility to split their leave entitlement of 50 weeks.⁵ Furthermore, the SPL need not be taken in one go. A parent can book up to three blocks of leave in the first year after the birth of the child, but they must give their employer at least eight weeks of advance notice.

³ In Taiwan, all employees are mandatorily required to participate in the employment insurance scheme. The total insurance premium is equivalent to 1% of the monthly salary subject to a ceiling. Within the total premium, employees and employers pay 20% and 70% respectively, while the rest of 10% is contributed by the government. In 2016, some 460 000 employees or 7% of overall insured employees claimed the parental leave allowance.

⁴ One parent must have worked for the same employer for at least 26 weeks by the end of the 15th week before the baby is due for birth, while the other worked for at least 26 weeks in the 66 weeks period leading up to the due date and have earned at least £390 (HK\$3,838) in a total of 13 of the 66 weeks.

⁵ For instance, if a mother resumes work after taking maternity leave of 12 weeks, the outstanding entitlement of 40 weeks can be taken in the form of SPL. She may choose to take 30 weeks of SPL and let her spouse take the rest of 10 weeks. Moreover, the couple may choose to take the leave at the same time or at different times.

- (c) **Statutory parental leave pay:** SPL carries a statutory weekly pay of £140.98 (HK\$1,387) in 2017 or 90% of the average weekly earnings of the employee, whichever is lower. This is essentially the same as statutory maternity pay, except that the first six weeks of statutory maternity pay is specified as 90% of the weekly earnings of employee without payment ceiling. As pay for SPL is only given for 37 weeks, the rest of 13 weeks of leave entitlement is unpaid.

4. Relationship between fertility rate and maternity leave

4.1 As far as practicable, the statistics on (a) unemployment rate and (b) fertility rate of the selected places are shown in the attached table (**Appendix I**). For the five selected places in Asia, the fertility rate in terms of the average number of children born by a female at the childbearing age 15-49 declined in Singapore, South Korea and Taiwan during 2000-2016, but went up in Hong Kong and Japan. As to the fertility rate in the four selected places in Europe and North America, they mostly increased during 2000-2016, except the US. In 2016, the fertility rate in the five selected places in Asia ranged between 1.17-1.46, all lower than the respective range of 1.60-1.85 in Europe and North America. Likewise, the unemployment rate for females in selected places in Asia ranged between 2.8% and 4.5% in 2016, all lower than the range of 4.8%-6.5% of their counterparts in Europe and North America.

4.2 According to a study conducted by the Organisation for Economic Co-operation and Development ("OECD"), there was a positive relationship between female employment and fertility rate in OECD, partly attributable to "supportive working environment and promotion of family-friendly employment policies".⁶ But OECD also voiced its concerns that employees taking up very long leave entitlements may make them "detached from the labour market" and earn "lower wages" after resumption of work.⁷ As to the other way round, it seems that very few governments would make boosting fertility rate as their policy targets in formulating childbirth leave policies. Singapore may be an exception, as its government bears the full cost of granting paid maternity leave to parents who give birth to their third and

⁶ See Organisation for Economic Co-operation and Development (2001).

⁷ See Organisation for Economic Co-operation and Development (2013).

subsequent children and introduces the Baby Bonus Scheme in 2001 to "encourage parents to have more children".⁸

4.3 By a similar token, it is noted that most of the governments around the globe take into account labour market developments in formulating their population and childbirth policies. Yet very few would make certain economic variable such as unemployment rate as an explicit policy target in the childbirth policy.

5. Family-friendly employment policies in selected places

5.1 Against the backdrop of slowing population growth and ageing trend in society, many governments around the globe have launched family-friendly employment policies ("FEP") to boost female employment. For those places with statutory FEP in places, they can be grouped into two major categories:

- (a) **Childcare leave entitlements:** Apart from maternity leave for mothers and paternity leave for fathers seen in Hong Kong, there is also **parental leave** usually lasting for up to one year to give flexibility to parents to take care of their newborn children. As discussed in paragraphs 2.1 and 3.1, parental leave may be a combination of maternity leave and paternity leave, along with transferability of entitlements between mothers and fathers in some cases. This apart, there are also other **childcare related leave** applicable to older child and can be claimed under some special conditions like taking care of a sick child.
- (b) **Special work arrangements for parents:** For employees with parenting responsibilities, they have statutory rights to ask their employers to provide **flexible work arrangement** (e.g. flexible working time, work from home and reduced working hours) and **nursing breaks** for expressing milk and breastfeeding at workplace (e.g. breastfeeding mothers taking a break of 30 minutes two times each day).

⁸ The Child Development Co-Savings (Baby Bonus) Scheme supports parents to have more children and lighten the financial costs of raising children. The Scheme offers cash gift for each baby, from S\$8,000 (HK\$44,480) for the first child to S\$10,000 (HK\$55,600) for the third and subsequent children. See National Population and Talent Division (2013).

5.2 For easy reference, a summary table showing the availability of six statutory FEP measures in five selected places in Asia is attached (**Appendix II**). For Hong Kong, only two FEP measures (i.e. maternity leave and paternity leave) are mandatorily available, but not so for parental leave, childcare leave, right to flexible work arrangements and nursing breaks. By contrast, all of the six FEP measures are available in Taiwan. It is followed by South Korea and Japan (five FEP measures each) and Singapore (four FEP measures).

5.3 As to the four selected places in Europe and North America (**Appendix III**), Sweden is the only place in which all six FEP measures are implemented. It is followed by the UK (five FEP measures), Canada (three FEP measures) and the US (two FEP measures).

Fertility rate, unemployment rate and labour force participation rate of females in selected places

	Fertility rate ⁽¹⁾		Unemployment rate of females ⁽²⁾		Labour force participation rate of females ⁽²⁾	
	2000	2016	2000	2016	2000	2016
Selected places in Asia						
Hong Kong	1.03	1.21	4.1%	3.1%	46.8%	50.0%
Singapore	1.60	1.20	3.5%	4.5%	50.2%	60.4%
South Korea	1.47	1.18	3.6%	3.6%	48.4%	52.1%
Taiwan	1.68	1.17	2.4%	3.6%	46.0%	50.8%
Japan	1.36	1.46 ⁽³⁾	4.5%	2.8%	49.3%	50.3%
Selected places in Europe and North America						
United Kingdom	1.65	1.82 ⁽³⁾	4.9%	4.9%	69.2%	73.2%
Sweden	1.55	1.85	4.3%	6.5%	75.5%	69.9%
Canada	1.49	1.60	6.7%	6.2%	59.4%	61.3%
United States	2.06	1.84 ⁽³⁾	4.1%	4.8%	59.9%	56.8%

Notes: (1) Fertility rate refers to the average number of children born by a woman at childbearing age of 15-49.

(2) The figures exclude foreign domestic helpers in Hong Kong and non-residents in Singapore.

(3) 2015 figures.

Major family-friendly employment policies in selected places in Asia

		Hong Kong	Singapore	South Korea	Taiwan	Japan
1.	Maternity leave for mothers	<ul style="list-style-type: none"> 70 days, with pay at 80% of the monthly earnings for the whole period. 	<ul style="list-style-type: none"> 112 days, with full-pay for the whole period. 	<ul style="list-style-type: none"> 90 days, with full-pay for the whole period. 	<ul style="list-style-type: none"> 56 days, with full-pay for the whole period. 	<ul style="list-style-type: none"> 98 days, with two-thirds of the monthly earnings for the whole period.
2.	Paternity leave for fathers	<ul style="list-style-type: none"> 3 days, with pay at 80% of daily salary. 	<ul style="list-style-type: none"> 14 days, with full-pay for the whole period. 	<ul style="list-style-type: none"> 5 days, with full-pay for only three days. 	<ul style="list-style-type: none"> 5 days, with full-pay for the whole period. 	<ul style="list-style-type: none"> No.
3.	Parental leave for fathers and mothers	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> One week for father with child under the age of 12 months, sharing from the mother's 16-week maternity leave. 	<ul style="list-style-type: none"> One year for each parent with child under the age of eight, with pay at 40% of the monthly earnings for the whole period. 	<ul style="list-style-type: none"> Two years for both parents with child under the age of three, with pay at 60% of the monthly earnings for up to 6 months. 	<ul style="list-style-type: none"> One year for both parents with child under the age of 12 months, pay at 67% of the monthly earnings for 6 months and 50% for another 6 months.
4.	Other childcare related leave	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> 6 paid days per year for child under the age of seven. 6 unpaid days per year for child under the age of two. 	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> 7 paid days per year under family care leave. 	<ul style="list-style-type: none"> 5 unpaid days per year for preschool child.

Major family-friendly employment policies in selected places in Asia

		Hong Kong	Singapore	South Korea	Taiwan	Japan
5.	Statutory right to flexible work arrangements	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> No.⁹ 	<ul style="list-style-type: none"> Reduction of working hours for caring a child under the age of eight.¹⁰ 	<ul style="list-style-type: none"> Reduction of one working hour per day for caring a child under the age of three.¹¹ 	<ul style="list-style-type: none"> Exemption from non-schedule work and shorter working hours for caring a child under the age of three.
6.	Statutory provision of nursing break at workplace¹²	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> Two 30-minute breaks from work per day, counted as work time for nursing a child under the age of 12 months. 	<ul style="list-style-type: none"> Two 30-minute breaks per day, counted as work time for nursing a child under the age of two. Nursing facilities are mandatory for workplace with more than 100 employees. 	<ul style="list-style-type: none"> Two 60-minute breaks per day, counted as working time.

⁹ In Singapore, companies can apply for a work-life grant from the government to implement flexible work arrangements, including flexi-time, flexi-place and part-time work.

¹⁰ The period of working hour reduction for childcare purpose can be at maximum of one year. The working hours after reduction should range within 15 to 30 hours per week.

¹¹ This is only applicable to companies with more than 30 employees.

¹² Nursing break refers to the time given to the female employee who needs to express breast milk for nursing her child.

Major family-friendly employment policies in selected places in Europe and North America

		United Kingdom	Sweden	Canada	United States
1.	Maternity leave for mothers	<ul style="list-style-type: none"> 52 weeks, with pay at 90% of the average weekly earnings for the first 39 weeks and unpaid for the last 13 weeks.¹³ 	<ul style="list-style-type: none"> Provided under parental leave. 	<ul style="list-style-type: none"> 17 weeks, with pay at 55% for 15 weeks and unpaid for 2 weeks. 	<ul style="list-style-type: none"> No.
2.	Paternity leave for fathers	<ul style="list-style-type: none"> 1-2 weeks, with pay at 90% of the average weekly salary or flat rate, whichever is lower.¹⁴ 	<ul style="list-style-type: none"> 10 days, with pay at 80% of the daily earnings.¹⁵ 	<ul style="list-style-type: none"> No.¹⁶ 	<ul style="list-style-type: none"> No.
3.	Parental leave for fathers and mothers	<ul style="list-style-type: none"> Two types of parental leave: shared parental leave with pay¹⁷ and 18 weeks of unpaid parental leave.¹⁸ 	<ul style="list-style-type: none"> 480 days, with pay at 80% of the daily earnings for 390 days and a flat rate for the last 90 days. 	<ul style="list-style-type: none"> 35 weeks to be shared between the two parents, with pay at 55% of the average weekly earnings for the whole period. 	<ul style="list-style-type: none"> 12 unpaid weeks for each parent.

¹³ Within these 39 weeks, the first six weeks are paid at 90% of the average weekly earnings and the following 33 weeks are paid at either 90% or flat rate, whichever is lower.

¹⁴ The father may choose to take either one week or two consecutive weeks.

¹⁵ The 10-day leave period is named as temporary parental benefit for a more gender neutral consideration.

¹⁶ In Canada, only the Quebec province has statutory paternity leave as it has own program to offer maternity, paternity and parental benefits.

¹⁷ See "Shared parental leave in the United Kingdom" in pages 2-3.

¹⁸ The unpaid parental leave in the UK is 18 weeks for each child before his/her 18th birthday. This leave applies to each child.

Major family-friendly policies in selected places in Europe and North America

		United Kingdom	Sweden	Canada	United States
4.	Other childcare related leave	<ul style="list-style-type: none"> Time off for emergency involving a dependent.¹⁹ 	<ul style="list-style-type: none"> 120-day temporary parental leave per year.²⁰ 	<ul style="list-style-type: none"> Critically ill childcare leave.²¹ 	<ul style="list-style-type: none"> No.
5.	Statutory right to flexible work arrangements	<ul style="list-style-type: none"> All eligible employees can apply for flexible work, including job sharing, working from home, part time and flextime. 	<ul style="list-style-type: none"> Working parents with child under the age of eight can request reducing working hours by up to 25%.²² 	<ul style="list-style-type: none"> No.²³ 	<ul style="list-style-type: none"> No.
6.	Statutory provision of nursing break at workplace	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> Yes, however the duration of entitlement and age limit of the child are not specified in the legislation. 	<ul style="list-style-type: none"> No. 	<ul style="list-style-type: none"> Unpaid "reasonable" time for employees with child under the age of 12 months. Nursing facilities are mandatory for workplace with more than 50 employees.

¹⁹ Employees in the UK are allowed time off for emergency involving a dependent who could be a child, spouse or parent. There is no set amount of time but should be a reasonable amount of time.

²⁰ The leave allows working parents to take care of their sick child who is under the age of 12. For child aged 12 to 15 years old, doctor's certificate is required.

²¹ Critically ill childcare leave allows absence from work up to 37 weeks within a 52-week period. The child has to be under the age of 18 and the leave application has to be supported by medical certificate. Employees under the Employment Insurance scheme get 55% of the average weekly earnings for a maximum of 35 weeks.

²² This is unpaid for the reduced working hours.

²³ In Canada, only federal employees have legal entitlements to request flexible work arrangements. In 2016, among all workers in Canada, 6% are federal employees.

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