

年度
1998年—5月4日付統令第115/98号

同年9月22日付省令800/98号

社会保障の歴史的変遷

労働省の新機構法律の認可

15年を超える納税者である年金者に対し、1998年10月1日(第1期)及び1999年6月1日(第2期)以降 実効の特例措置。納税業種の機能に応じて規定された増額は当10月の5~32%の価額に應ずる。

諸規定

社会参入及び社会保障分野に二つの新たな機構、即ち、Instituto de Informática e Estatística da Solidariedadeと Instituto para o Desenvolvimento Socialを創設。Instituto de Gestão Financeira da Segurança Socialの権限を強化

(Legislação)
Lei n° 18/98, de 28 de Abril
Decreto-Lei n°347/98, de 9 de Novembro

(Legislação)
Lei n° 142/99, de 31 de Agosto

(Legislação)
Decreto-Lei n°70/2000, de 4 de Maio
Decreto-Lei n°77/2000, de 9 de Maio

労働・女性・子どもに関する法的規制の変遷

1998年—産休期間を120日まで延長することを定めた。

1999年—閣僚委員会決議は家族総合政策計画を認可。
同年、閣僚委員会は家庭内暴力に対する国家計画を認可。
同年、暴力被害を受けている女性のための支援の家に関する公的機関網の網領を定めた。
同年、性教育分野において、並びに家族計画及び避妊法への接近を促進する諸規定を認可した

第5章 英語圏諸国

分担研究者 釜野 さおり

はじめに (釜野さおり)

1. **Family Policies & Fertility Rates in English Speaking Countries**
(Emese Mayhew)
『英語圏諸国における家族政策と出生率』(エミース・メイヒュー)
2. **Family Policies in English Speaking Countries: 1960-2001**
(Emese Mayhew)
『英語圏諸国の家族政策：1960年～2001年』(エミース・メイヒュー)
3. **Report on Qualitative Interview Study of Children, Child-Rearing and the Family in U.K. (Helen Cairns, Susan Harris and Lynda Clarke)**
『イギリスの出産・子育てと家族に関する質的研究—インタビュー調査による—』
(ヘレン・ケアンス、スーザン・ハリス、リンダ・クラーク)

本プロジェクトの最終年度である平成13年度は、英語圏諸国5カ国について、出生率の動向、出生率の近接要因の変化、社会経済的变化、家族政策についての資料をまとめることに専念した。その結果は総合報告書に掲載のとおりである。本報告書には、その過程で行った個別の研究3点の結果を掲載する。それぞれの内容は、以下のとおりである。

1. Family Policies & Fertility Rates in English Speaking Countries (Emese Mayhew) (『英語圏諸国における家族政策と出生率』(エミース・メイヒュー))では、子どものいる家族に影響を与える社会政策が、オーストラリア、カナダ、ニュージーランド、イギリス、アメリカの英語圏諸国5カ国において、出生率とどのような関連があるのかを探った。

まず、家族政策全般を把握するために、各部門別に政策を記述・評価し、さらに、全体をパッケージとみなして評価をする。具体的には、それぞれの政策部門について、主な点を表にまとめ、さらに国別に詳細の記述をする。そして現金に換算した手当て額を計算し、それと出生率の関連をみる。なお、ここにまとめられた情報は、本プロジェクト総合報告書の英語圏諸国の章で抜粋している。

1章は人口学的・経済的な背景、2章はユニバーサルおよび所得制限のある児童手当、3章は家族税額控除、4章は出産育児休業、5章は保育コスト・補助、6章はその他の家族手当や社会扶助、7章はすべてをひっくるめた児童給付パッケージ額の比較である。各章ごとの比較においても、7章で行った全体の児童給付パッケージの比較においても、モデル家族分析を用いて家族類型と所得のタイプ別に2001年のイギリスポンドの額に換算した購買力を計算し、比較している。モデル家族分析では、具体的に扱う家族類型および所得のタイプは次のとおりである。(なお、「モデル家族分析」の詳細は、総合報告書「経済支援策の国際比較：モデル家族分析の方法と課題」(赤地麻由子)に詳しい。)

家族類型	所得タイプ
シングル	女性の平均2分の1の収入
カップル	女性の平均収入
ひとり親+3歳未満の子ども	男性の平均の半分の収入
ひとり親+7歳の子ども	男性の平均収入
ひとり親+7歳と14歳の子ども	共働き・男性の平均収入+女性の平均半分の収入
カップル+3歳未満の子ども	共働き・男性の平均収入+女性の平均収入
カップル+7歳の子ども	
カップル+7歳と14歳の子ども	
カップル+7歳、14歳、17歳の子ども	

得られた結論によると、5カ国の出生率と政策をみると、女性の労働を促進する政策のある国、つまり出産休業期間が短い、保育施設の利用度が高い、家族課税控除や社会扶助が

多いなどの特徴をもつ国の出生率は高めである。また、モデル家族法によって比較した英語圏の国々の児童給付パッケージ額は、賃金レベルに大きく左右され、子どもの数や年齢によってはあまり変わらない。住宅コストや医療や教育などの費用を考慮すると、パッケージ額は、国間でかなり大きく違ってくる。所得の低い家庭については、子どものいる家庭の方がいない家庭に比べ、パッケージ額が大きい。平均所得以上の家族のパッケージ額には、子どもの有無による違いがほとんどみられない。

2. Family Policies in English Speaking Countries: 1960-2001 (Emese Mayhew) 『英語圏諸国の家族政策：1960年～2001年』(エミース・メイヒュー) は、それぞれの国において、上記1の論文で扱った政策について、支給額・給付額、適用条件、内容を含めたさまざまな面について、1960年以降の変遷を年表の形にまとめたものである。英語圏諸国における家族にかかわる政策についての貴重な資料である。

3. Report on Qualitative Interview Study of Children, Child-rearing and the Family in U.K. (Helen Cairns, Susan Harris and Lynda Clarke) (『イギリスの出産・子育てと家族に関する質的研究—インタビュー調査による—』(ヘレン・ケアンス、スーザン・ハリス、リンダ・クラーク) には、働き方および子どもの数の異なる女性20人に行ったインタビューの結果がまとめられている。インタビューでは、妊娠・出産が仕事に与える影響、保育施設の利用、仕事と家庭、家族生活、意識や価値観についてたずねた。同様の質問内容でニュージーランドとオーストラリアにおいて実施したインタビューの結果は、当プロジェクト総合報告書(和文概要のみ)および平成13年度厚生科学研究・政策科学推進研究推進事業研究実績報告書(英文報告書および和文概要)に掲載されている。

Family Policies & Fertility Rates in English Speaking Countries

Emese Mayhew

Acknowledgements

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Table of Contents

Acknowledgements	
Table of Contents	
0 Introduction	
Methods	
1 Demographic and Economic Background	
1.1 Demographic Context	
1.2 Economic Context	
1.3 Birth Rates in a Socio-economic Context	
2 Family Allowances	
2.1 Universal Child Benefits	
2.2 Income Related Child Benefits	
3 Family Tax Allowances	
3.1 Family Tax Allowances	
3.2 Evaluation of Family Tax Benefits	
4 Maternity and Parental Leave Policies	
4.1 Statutory Maternity/Parental Leave	
4.2 Other Maternity Provisions	
4.3 Paternity Leave	
4.4 Childcare Leave	
4.5 Evaluation of Parental Leave Provisions with Regard to Fertility Outcomes	
5 Public Childcare Services	
5.1 Formal Education Characteristics	
5.2 Childcare Provision for Children Under School Age	
5.3 Statistics of Childcare Usage	
5.4 Evaluation of Childcare Costs and Benefits.	
6 The Family Assistance Package	
6.1 School Costs and Benefits	
6.2 Health Care Costs and Subsidies for Children	
6.3 Housing Subsidies.	
6.4 Child Support Maintenance	
6.5 Social Assistance	
6.6 Evaluation of the Family Assistance Package	
7 Comparative Evaluation of the Overall Value of the Child Benefit Package	
7.1 The Level of the Child Benefit Package	
7.2 The Structure of the Child Benefit Package	
7.3 The Child Benefit Package as % of Average Earnings	
7.4 The Relationship between Birth Rates and the Strength of the Child Benefit Package	
8 Conclusion	
References	
Appendix	

0 Introduction

During the last few decades developed countries experienced a trend towards consistently below replacement-rate level fertility rates. At the same time, life expectancy has been raised, resulting in an increasing proportion of elderly to be supported by a decreasing level of workforce. These demographic developments pose significant challenges to policy makers in most areas of social and economic policy. The aim of this study is to explore the impact that social policies targeting families with children make on the fertility rates of five English-speaking countries, namely Australia, Canada, New Zealand, the United Kingdom and the United States. The findings reveal a moderate association between the strength of state support to families with children and birth rates.

The study is organised as follows. In order to discover how family policies work together as a whole, individual policies are collected and evaluated both separately and as a 'package'. In the first half of each chapter, information about family policies is presented in tables, followed by further clarification of the country-specific characteristics. The level of cash-benefits and their relationship to birth rates are provided in the second part of chapters. Chapter 1 describes the demographic and economic context of family policies and explores the relationship between birth rates and various economic determinants. Chapter 2 provides detailed description of the characteristics and level of the universal and income related child benefit provisions in the five countries. Chapter 3 presents the characteristics and level of family tax allowances and relates them to national birth rates. Chapter 4 contains the main characteristics of maternity and parental leaves and cash provisions and their relationships to fertility rates. Chapter 5 describes childcare costs, subsidies and usage in the five countries as well as its association with birth rates. Chapter 6 presents all the additional family benefits and social assistance that families with dependents might receive. Chapter 7 evaluates the overall strength of the child benefit package of the five countries relative to different family types and income levels. It also attempts to find a relationship between fertility rates and the value of the child benefit package. The final chapter is the conclusion, summarising the main findings.

Methods

In order to enable systematic comparison between countries, the 'model family method' was used for the calculation of benefit levels. This method specifies a given number of family types and earnings levels for which income/benefit and cost levels are calculated in national currencies for each country. Later on, national currencies are converted into purchasing power parities (in British pounds, adjusted to July 2001) in order to make the results more comparable. In this study the following family types were used:

- Single person
- Childless couple
- Lone parent + 1 child under 3
- Lone parent + 1 child aged 7
- Lone parent + 2 children aged 7 and 14
- Couple + 1 child under 3
- Couple + 1 child aged 7
- Couple + 2 children aged 7 and 14
- Couple + 2 children aged 7, 14 and 17

And the following six earnings levels were employed:

- One earner on half average female earnings
- One earner on average female earnings
- One earner on half average male earnings
- One earner on average male earnings
- Two earners, one on average male, one on half average female earnings
- Two earners, one on average male, one on average female earnings

By the utilisation of the family model method variation among countries and within policies are easily detectable with relation to their treatment of various family types and/or earnings categories. Benefit level calculations were performed in Excel.

In order to explore the possible impact of individual policies (and that of the entire child benefit package) on fertility rates, scatter-graphs were plotted (in Word2000), using national birth rates and the characteristics of the relevant policy. These charts are to be found at the end of each chapter.

1 Demographic and Economic Background

Demographic and economic circumstances have a direct impact on the design and budgeting of family policies, hence cannot be disregarded when evaluating such measures. This chapter describes the main socio-economic characteristics of Australia, Canada, New Zealand, the UK and the US. The chapter is divided into three sections. The first two contain the main demographic and economic features of the five countries. The third section explores birth rates as the function of various socio-economic determinants, such as percentage lone parent families, GDP per capita and female labour market participation rates.

1.1 Demographic Context

Table 1.1 presents the main demographic characteristics of the five countries under study. The US has by far the largest population as well as the highest birth and fertility rate. New Zealand has the smallest population and the second highest birth and fertility rate. Canada has the lowest birth rate as well as the lowest marriage rate per 1000 adult population. The rate of teenage pregnancies and percentage of lone parent families are the highest in the US, closely followed by New Zealand.

Table 1.1 Demographic context

	<i>Australia</i>	<i>Canada</i>	<i>New Zealand</i>	<i>UK</i>	<i>US</i>
1. Total Population (millions)	19.2	31.0	3.8	59.5	276.0
2. Children aged < 16 (millions)	3.9	6.2	0.87	12.1	70.4
	(aged <15)		(aged <15)		(aged <17)
3. Children aged: 0-4	1.26	1.7	0.28	3.62	18.9
5-15 (millions)	2.65	4.5	0.59	8.49	39.6
4. Total Period Fertility Rate ¹	1.74	1.5	2.01	1.69	2.08
5. Birth Rate per 1000 population	12.9	11.6	14.7	11.8	14.5
6. Marriage Rate per 1000 adult population	33.0	5.2	16.2	27.7*	8.3
7. Divorce Rate per 1000 married population	12.0	2.4	12.6	12.8*	4.2
8. % of all Births outside Marriage	28.7	-	42	38.7	33.0
9. % of all Births to Mothers aged 15-19	4.7	5.7 (<20)	8.4	7.8	12.3
10. Lone Parent Families as % of all Families	21.4	22.3	26.7	21	29.35

¹The total period fertility rate refers to the number of children a woman would have if the current pattern of fertility persisted during her child-bearing life.

*Marriage and divorce rates refer to England and Wales in 1998.

Sources: Sources are broken down by country and row (numbered).

Australia: 1-5. in December 2000, ABS Demographic Statistics, December Quarter 2000, Catalogue 3101.0, 6,7. in 2000, ABS Marriages and Divorces 2000, Catalogue 3310.0, 8,9. in 1998, ABS Australian Social Trends 2000, 10. in 2000, ABS Labour Force Status and Other Characteristics of Families June 2000, Catalogue 62240.0.

Canada: 1-3. Projections for 2001, Statistics Canada, Population Projections for Provinces and Territories 1999, 4,5,9. in 1997, Statistics Canada 1999, 6,7. in 1996, 'Number of events per 1000 population', Statistics Canada, Vital Statistics Compendium 1996, 10. in 1996, Statistics Canada, 1996 Census Nation tables.

New Zealand: 1-3. in 2001, Census, 6 March 2001, 4. in 2001, Statistics New Zealand, Demographic Trends, 5,6,7. in 1999, Statistics New Zealand, Demographic Trends, 10. in 1996, Families and Households Census 1996.

UK: 1-9. in 1999, Population Trends Winter 2001, 10. in 2000, LFS Spring 2000 Household Datasets.

USA: 1-3. in 2000, Population Estimates Program, Population Division, US Census Bureau, November 2000, 4. in 2000, National Vital Statistics Report, Vol.48, No.3, March 2000, 5. in 2000, National Vital Statistics Report, Vol.49, No.1, 6,7. in 1998, National Centre for Health Statistics, 8. in 1999, National Vital Statistics Report, Vol.48, No.16, 9. in 1998, National Vital Statistics Report, Vol. 49, No.1, 10. in 2000, Current Population Reports, US Census Bureau.

1.2 Economic Context

Table 1.2 contains the main economic characteristics of the five countries. The US has the highest GDP per head followed by Canada and Australia. Social expenditure per dependent child is highest in Australia and by far the lowest in the US. Canada has the highest gross average earnings while US has the lowest (for gross earnings in purchasing power parities see Appendix). Australia provides the most generous minimum wage followed by the UK and Canada (for conversions to purchasing power parities see Appendix). Female labour market participation rate is the highest in the US and Canada and lowest in Australia and the UK. The US has a very high lone mother employment participation rate as opposed to Australia and the UK (where lone mother participation rates are half of the US rate). Part-time employment as proportion of total is highest in Australia.

Table 1.2. Economic context

	<i>Australia</i>	<i>Canada</i>	<i>New Zealand</i>	<i>United Kingdom</i>	<i>United States</i>
¹ GDP per head, 1999 in US\$ PPPs	25,590	26,424	18,629	22,876	33,836
² Social expenditure per child (0-19), 1997 US\$ PPPs	1,872	673	1,500	815	280
³ Gross average monthly earnings (July 2001, nat. curr.):					Median:
Male	\$3,768	\$3,684	\$3,037	£1,890	\$2,697
Female	\$4,045	\$4,164	\$3,432	£2,086	\$3,102
	\$3,768	\$3,008	\$2,596	£1,554	\$2,370
⁴ Minimum wage (in national currencies)	\$413.10 per week*	\$6.85/hr (Ontario)	\$5.40/hr (16-17) \$7.70/hr (18<)	£3.20/hr (18-21) £3.70/hr (22<)	\$5.15/hr
⁵ Unemploy. rate (%)					(2001)
Total (2000)	6.6	6.8	6.0	5.5	5.8
Male	7.0	6.9	6.7	6.1	5.2
Female	6.8	6.7	6.4	5.0	5.2
⁶ Participation rate (%)					(2001)
Total (2000)	75.4	77.4	65.4	75.9	66.9
Male	72.4	72.5	73.5	72.1	74.2
Female	55.1	59.5	57.5	55.2	60.0
⁷ Employment Rate (%) Lone/Married parents with a child <5	lone mother/ married mother (2000)	lone parent/ dual earner couples (1996)	No data	lone mother/ married mother (2000)	lone mother/ married mother (1989-99)
<u>Total:</u>	28.5/48.0	53.2/59.4		32/60	65.53/59.4
Under 16 hrs/week					
16-29 hrs/week	19.5/31.9		No data	16/23	17.16/18.9
Over 30 hrs/week	(<35hrs) 9.0/16.1 (>35hrs)	-		47/37 38/40	(<35hrs) 50.77/40.5 (>35hrs)
⁸ Part-time employ. as proportion of total in 1999 (%)	26.1	18.5	23.0	23.0	13.3

¹OECD, *National Accounts*, 2000.

²OECD Health Data 2001.

* There are a series of industry-based minimum awards, data represents minimum safety net.

³Standardised unemployment rates. OECD Labour Force Statistics, 2001.

⁴Labour market participation rate: proportion of population aged 16-64 in the labour force.

⁵Part-time employment defined as working less than 30hrs per week in main job. *Source:* Table E, Statistical Annex, OECD *Employment Outlook*, 2000.

Australia: Australian Bureau of Statistics, Average Weekly Earnings, Catalogue 6202.0, May 2001, ABS Labour Force and Other Characteristics of Families, June 2000.

Canada: Statistics Canada, Survey of Labour Income and Dynamics May 1998, *Survey of Employment, Payrolls and Hours* May 2001, Statistics Canada Nation Tables: Census Families in Private Households by Family Structure, Presence of Children and Labour Force Activity.

New Zealand: *Quarterly Employment Survey*, May 2001.

United Kingdom: *New Earnings Survey 2000*; UK Statistics, *Labour Market Trends 2001*; LFS Spring 2000, Individual datasets.

United States: Bureau of Labour Statistics 2001, *Labour Force Statistics from the Current Population Survey*, (www.bls.gov), US Department of Labour 2001, *Report on the American Workforce*, Table 42: Number of earners in family by family type, 1989-1999, Washington, D.C., US Bureau of Statistics.

1.3 Birth Rates in a Socio-economic Context

Although five data points do not provide reliable evidence for the existence of a relationship between two variables, this section attempts to find possible associations between national birth rates and certain demographic/economic factors.

Figure 1.1 describes the relationship between the birth rates and the percentage of lone parents out of all families. Interestingly, higher birth rates seem to co-occur with a higher percentage of lone parent families in the population (US and NZ).

Figure 1.1 Birth rates by percentage lone parents

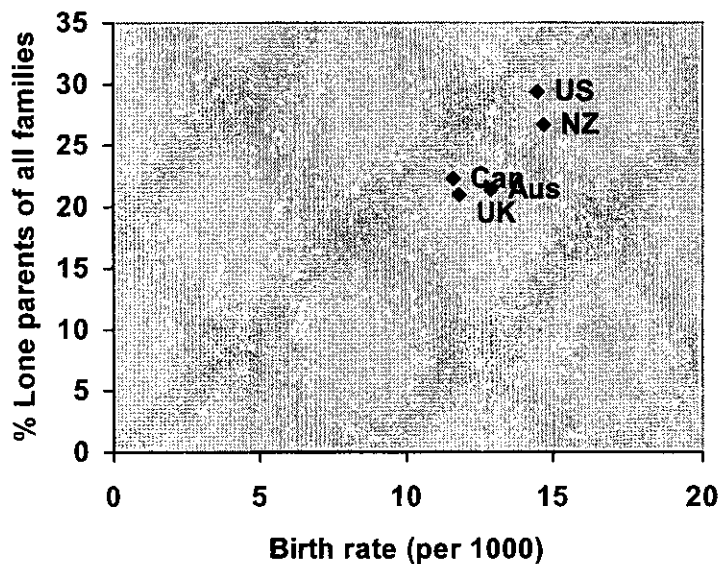


Figure 1.2 explores the relationship between birth rates and women's employment. Again, with the exception of Canada, higher birth rates seem to be associated with relatively high female labour market participation.

Figure 1.3 examines the possible correlation between birth rates and 'national wealth'. In this case New Zealand seems to be the exception to the pattern in which the higher the GDP the higher the birth rate.

The following chapters describe each component of the family policy package separately for the five nations. The value of individual components is evaluated and their relationship to birth rates are explored at the end of the each chapter. The overall strength of the family policy package and its impact on birth rates is examined in Chapter 7.

Figure 1.2 Birth rates by female participation rates

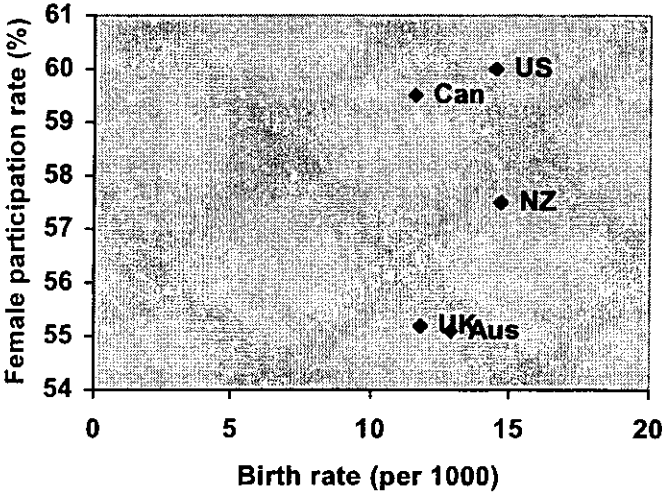
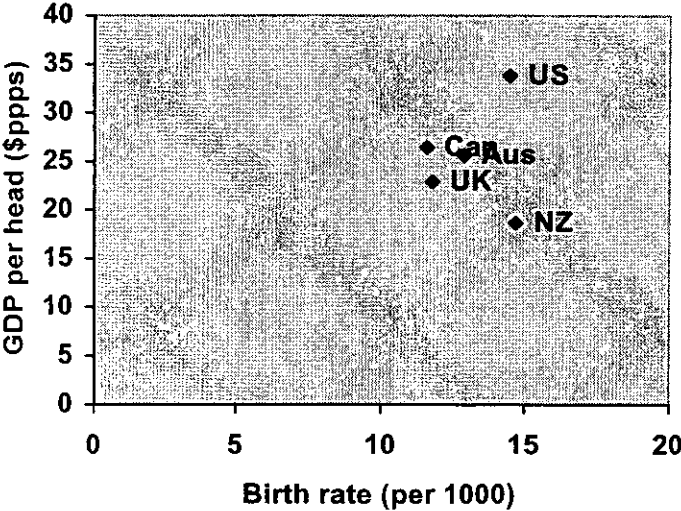


Figure 1.3 Birth rates by GDP per head



2 Family Allowances

Family allowances are cash benefits paid to families with dependent children aiming to compensate for the –direct and indirect– costs of childrearing. The availability and level of cash support to families with children can be an important factor in the decision making process of whether to have children, when and how many. A low level of benefit provision might result in the reduction of family size and the postponement of having children until later in life (i.e. when careers and earnings are better established).

This chapter examines the characteristics and value of universal and income related family allowances in the 5 countries under study. It is assumed that generous provision of (especially universal) family allowances encourage high fertility rates and prolonged home care, while sparse provision of family benefits discourage the formation of large and consequently costly families. Universal and income related child benefits are described separately in Sections 2.1 and 2.2 respectively.

2.1 Universal Child Benefits

Universal child benefits for dependent children do not exist in four out of the five countries. Table 2.1 presents the main characteristics of the British child benefit allowance.

Table 2.1 Universal Child Benefits

	<i>Australia</i>	<i>Canada</i>	<i>New Zealand</i>	<i>UK</i>	<i>US</i>
Does it exist?	No	No	No	Child Benefit	No
Age limits	n.a.	n.a.	n.a.	16 / 19	n.a.
Paid to (M/F*)	n.a.	n.a.	n.a.	M	n.a.
Contribution	n.a.	n.a.	n.a.	No	n.a.
Uprated	n.a.	n.a.	n.a.	Yes	n.a.
Index linked	n.a.	n.a.	n.a.	No	n.a.
Taxed	n.a.	n.a.	n.a.	No	n.a.

*M = mother, F = father.

n.a. = not applicable

In the UK Child Benefit is paid for each child until their 16th birthday, or until their 19th if they are in full-time non-advanced education. The allowance is paid at a higher rate for the first child than for subsequent children (who receive equal amounts at a lower rate). Child Benefit in the UK is usually paid to the mother, but families can opt otherwise. Entitlement to Child Benefit does not depend on national insurance contributions and its amount is fixed, i.e. is not affected by any income or savings. Child Benefit is not index linked and the government decides the frequency of its uprating.

Table 2.2 represents the monthly values of the British child benefit in the national currency for different family types. In order to be able to measure the relative value of the benefit, its level is given as percentage of average earnings (£1,890/month in July 2001) as well as in pounds.

Table 2.2 Monthly levels of universal child benefit in the UK for different family types, in the national currency and % average earnings

	<i>Lone parent + 1 child aged 7</i>		<i>Couple + 2 children aged 7 and 14</i>		<i>Couple + 3 children aged 7, 14 and 17</i>	
	£	% ave. earnings	£	% ave. earnings	£	% ave. earnings
United Kingdom	67.17	3.5	112.02	5.9	156.87	8.3

The above figures show that the level of universal cash support per child declines as the number of children in the family increases, from 3.5% of average earnings for the first child to 2.95% (i.e.: 5.9/2) of average earnings per head for 2 children and to 2.7% (i.e. 8.3/3) of average earnings per head for three children. Since the level of child benefit is relatively low and its value diminishes with the number of children it cannot compensate significantly for the cost of having children. Hence the UK child benefit is not predicted to make a significant positive impact on the establishment of large (i.e. more than 1-2 children) families.

2.2 Income Related Child Benefits

Income related child benefits have been replaced in all five countries by a combination of family tax allowances and social assistance schemes. Providing benefits through the tax system is meant to stimulate the employment participation rate of parents (especially mothers and lone parents). Although parental employment is the best way to combat child poverty, there is a concern that employment related child benefits deprive (low-income) families from the option of staying at home to look after young children. Consequently, the absence of state recognition and support of full-time caring might result in lower rates of fertility among certain income groups. The next chapter examines the way income related child benefits have been incorporated in the income tax system.

3 Family Tax Allowances

The recent growth and diversification of tax allowance packages in Anglophone countries is a symptom of their governments' commitment to the slogan: 'welfare to work'. The 'New Deal' programs of the US inspired Britain's New Labour government to induce large groups of 'welfare dependents' into the labour market. The most controversial group targeted by New Deal programs is that of lone parents. To them (as well as to the young unemployed), New Deal offers free training and careers guidance service, in-work benefits and sometimes short-term job contracts to gain employment experience. The provision of family benefits through the tax system is also a way of rewarding labour market participation. It is however not always a feasible option for parents (especially lone parents) to undertake paid work, especially if they are not backed up by accessible, good quality childcare provision.

This chapter examines the characteristics and levels of family tax allowances in the five countries (section 3.1) and evaluates their effect on women's employment participation rates and birth rates (section 3.2). Chapter 5 shall complement the findings by describing and evaluating the current rate of childcare provision and take-up rates in Australia, Canada, New Zealand, the UK and the US.

3.1 Family Tax Allowances

As mentioned in Chapter 2, income related family benefits are incorporated into the income tax system in all five countries. Family tax allowances usually target low-, middle-income working families with children, and their entitlement level is often determined by –next to income– the number and age of children, and family type. In the United Kingdom and New Zealand there is an additional minimum hours of work requirement, designed to stimulate the labour market participation of especially women and lone parents. Most 'working family' tax allowance packages include a limited amount of childcare cost coverage, childcare being the biggest expense of working parents of pre-school age children. Table 3.1 summarises the main characteristics of family tax benefits.

Table 3.1 Family tax allowances (2001)

	<i>Australia</i>	<i>Canada</i>	<i>New Zealand</i>	<i>UK</i>	<i>US</i>
Does it exist?	Family Tax Benefit A and B	Canada Child Tax Benefit	(a) Family Support Tax Credit (b) Family Tax Credit	Working Families' Tax Credit	Earned Income Tax Credit
<u>Does it vary by:</u>	A / B		(a / b)		
Income	Yes / No	Yes	Yes / Yes	Yes	Yes
Hours worked	No / No	No	No / Yes	Yes	No
Age of children	Yes / Yes	< 19	< 18 / < 18	< 16/19	< 18
Nr of children	Yes / No	Yes	Yes / No	Yes	Yes
Family type	No / No	No	No / No	Yes	Yes
Frequency of payment	Fortnightly or annually	Monthly	Weekly or annually	Monthly	Annual
Paid to	M or F	Mother	Primary caretaker	Taxpayer	Taxpayer

In Australia Family Tax Benefit (FTB) functions both as a tax credit and as a child benefit payment. It consists of two parts: A and B. FTB-A is a tax credit based on family income, its full amount also depending on the age and number of dependent children in the household. After the fourth and subsequent child, there is a Large Family Supplement, and those entitled to Multiple Birth Allowance have a higher income cut-off threshold. The number of hours worked and the family type are irrelevant to this benefit. The receipt of FTB-A brings entitlement to Rent Assistance.

FTB-B is targeted at single income families, irrelevant of family type (i.e. including both couples and lone parents). It has a more restrictive definition of 'dependent child', it excludes

students over 18 and those receiving Youth Allowance. The level of payment is affected by the age of the youngest child, but not by the number of children. Single parents and primary earners (in couples) are exempted from income-testing, but the earnings of partners are income-tested. FTB is paid to the mother or the father depending on the form of payment. Fortnightly payments are transferred into the bank account of the main carer (i.e. usually the mother), but if it is paid through the tax system or wages then it is paid to the main taxpayer (i.e. generally the father).

In Canada, the Canada Child Tax Credit (CCTC) is based on the age and number of children, but not on family type. All families with children under 19 qualify for CCTC depending on income. Moreover, all lone parents with taxable income qualify for the Spousal Equivalent Tax Credit, which is a deduction from tax payable and is not refundable. The Ontario government provides the Ontario Childcare Supplement for Working Families (see Table 3.2), for families with children under 7 years of age, depending on income. In Canada, most child related credits are paid to the female parent unless the family requests otherwise.

In New Zealand the Family Support Tax Credit (FSTC) and the Family Tax Credit both target low-income families with dependent children under 18. The FSTC allowance varies by the age and number of children as well as by income, including income through benefits. Family Tax Credit is an employment related allowance and its rate is influenced by family income and hours worked. Lone parents are required to work minimum 20hrs per week, couples 30hrs. Family Tax Credit is designed to bring family income, including family assistance, up to a specified minimum earnings level per week (net \$286 in 2001).

The UK offers a comprehensive tax allowance package to working families with children in the form of the Working Families Tax Credit. The WFTC is a tax credit package, including adult credit; child credit; and childcare tax credit. Its amount depends on the family's income, the hours worked, the number and age of the dependent children and whether there are eligible (i.e. formal) childcare costs. The WFTC can be paid to one or two parent families with at least one child under the age of 16 or up to the age of 19 if in full-time education. One parent must work at least 16 hours per week. When at least one partner works for at least 30 hours per week, there is an additional bonus payment added to the maximum entitlement. A limited amount of formal childcare costs can be added to the WFTC entitlement for up to two children.

In the US, the Earned Income Tax Credit (EITC) provides a refundable tax credit for low-income workers, targeting primarily working families with children under 18 years old. The tax credit phases out as family income increases. The number of children (i.e. 0, 1, 2 or more) and family type (in particular marital status) both have an influence on the amount of EITC received. In 2001 the income level above which EITC begins to phase out was raised for married parents. EITC benefit levels are indexed for inflation annually.

Table 3.2 describes any additional family tax credits provided for dependent children.

Table 3.2 Additional child tax credits (2001)

	<i>Australia</i>	<i>Canada</i>	<i>New Zealand</i>	<i>UK</i>	<i>US</i>
Does it exist?	No	Ontario Childcare Supplement for Working Families	Child Tax Credit	Children's Tax Credit	Child Tax Credit
<u>Does it vary by:</u>					
Income	n.a.	Yes	Yes	Yes	Yes
Hours worked	n.a.	No	Yes	No	No
Age of children	n.a.	< 7	< 18	< 16	< 17
Nr of children	n.a.	Yes	Yes	No	Yes
Family type	n.a.	No	No	No	Yes
Frequency of payment	n.a.	Monthly	Weekly or annually	Annual	Annual
Paid to	n.a.	Mother	Primary caretaker	Taxpayer	Taxpayer

In Australia there are no additional family tax credits to those discussed previously. In Canada there are numerous tax allowances for lone parents and couples with dependent children. Besides

the Canada Child Tax Benefit and the Ontario Childcare Supplement for Working Families described above, there are several smaller federal and provincial tax credits¹. Some of these are: Equivalent to Spouse Credit, GST Tax Credit, Medical Expense Tax Credit and Childcare Expense Deduction.

In New Zealand Child Tax Credit is an in-work benefit, paid for each dependent child up to the age of 18. The eligibility conditions include that one parent must be in work and that the family must not receive an income-tested benefit. The amount of benefit is reduced by 18% or 30% respectively above two (a middle and a higher) income levels (including benefit income).

In the UK, Children's Tax Credit is an annual family tax cut targeting families with low to middle incomes and with children under 16 years old. It replaces the Married Couple's Allowance of previous years. The CTC is worth a maximum of £520 a year and is tapered away from higher rate taxpayers at a rate of £1 for every £15 earnings taxed at the highest rate. In the case of two earner couples, CTC must be claimed by the higher rate tax payer.

The US Child Tax Credit is a fixed amount of annual allowance of \$600 (in 2001) per dependent child under 17 years old. There is a refundable component to the child credit that benefits working families with children whose income is above the minimum earnings limit (\$10,000 in 2001). The refundable portion, however decreases as family income increases above a maximum earnings limit (depending on family type).

3.2 Evaluation of Family Tax Benefits

This section evaluates the relative value of family tax benefits compared to the tax allowances received by childless families. Since childcare provision and subsidies are the subject of Chapter 5, here we restrict the discussion to the evaluation of family tax allowances for families with two children above school age. The value of family tax allowance packages is measured by the extent to which they raise the income of families with children (through the reduction of income tax) relative to the income of childless families. Table 3.3 provides the monthly amounts (in £ purchasing power parities adjusted to July 2001) by which families with children are financially better off than childless families as the result of income transfers.

The figures in Table 3.3 show that the family tax allowance package of the US has the widest population coverage, stretching to support not only low-income single earner families but also double earners on average income. In fact, in the US, higher earning rates seem to be rewarded by more generous tax cuts as the difference between single and dual earner couples demonstrates. The UK provides the most generous support to low-income single earner families with children, especially single parents, but the tax allowance drops sharply as the national average earnings level is reached. In Australia, Canada and New Zealand tax allowances are phased out more gradually as earnings increase.

Table 3.3 Monthly value of family tax allowances in £ ppps (2001)

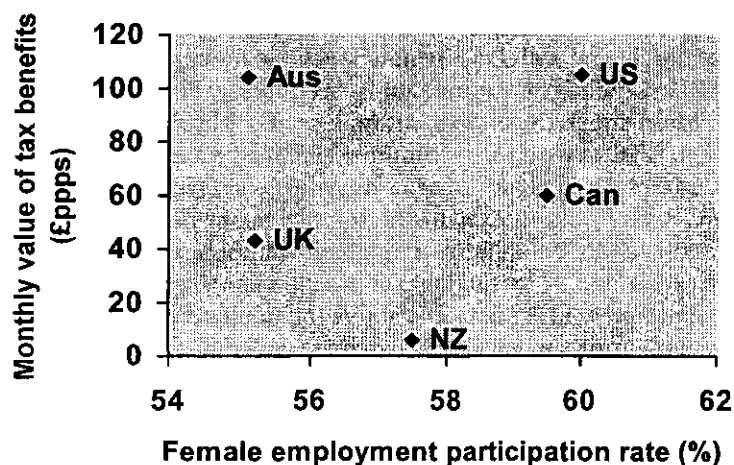
	<i>Lone parent + 2 children aged 7 and 14</i>		<i>Couple + 2 children aged 7 and 14</i>		
	<i>Half average female earnings</i>	<i>Average female earnings</i>	<i>Half average male earnings</i>	<i>Average male earnings</i>	<i>Average male + average female earnings</i>
Australia	354	251	304	104	0
Canada	284	144	220	60	0
New Zealand	206	115	202	6	0
United Kingdom	404	70	305	43	43
United States	336	225	218	105	175

There does not seem to be any relationship between the strength of the family tax benefit package and women's employment participation rates (Figure 3.1). For a family on average male earnings the US and Australia provide the highest tax cut. Yet there is a wide gap between the female participation rates of the two countries, the US having the highest employment rate of women and Australia the lowest among the five countries. The UK, Canada and New Zealand

¹ For a full description see: Mendelson and Battle (eds) (2001), *Benefits for children: a Four Country Study*, Caledon Institute of Social Policy, Ottawa, pp. 151-185.

exhibit similar dissociation between women's employment participation rates and the strength of their family tax benefit package.

Figure 3.1 Female labour market participation rates by the value of the tax benefit package (for a couple with 2 children on average male earnings)



As we have seen in Chapter 1 (Figure 1.1), an increasingly larger fraction of birth rates can be associated with lone parenthood. Figure 3.2 explores the relationship between national birth rates and the strength of the family tax benefit package for single parents. There seems to be a slight association, the US and Australia providing the highest tax allowances to single parents on average earnings, and also having relatively high birth rates. The relatively weak tax allowance provision of New Zealand however does not go hand in hand with lower birth rates.

Figure 3.2 Birth rates by the value of the tax benefit package (for a lone parent with 2 children on average female earnings)

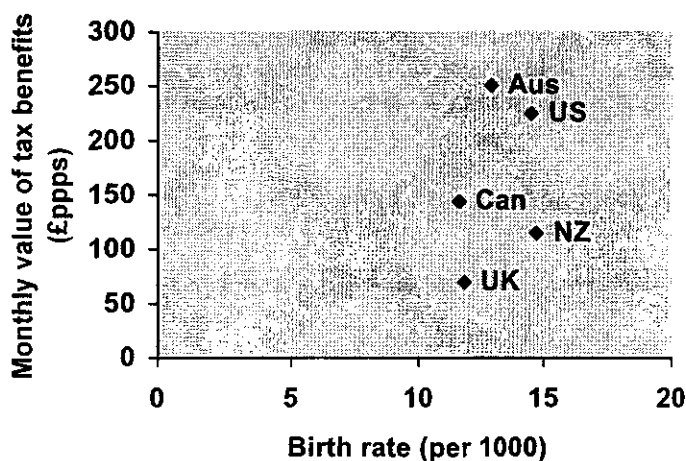
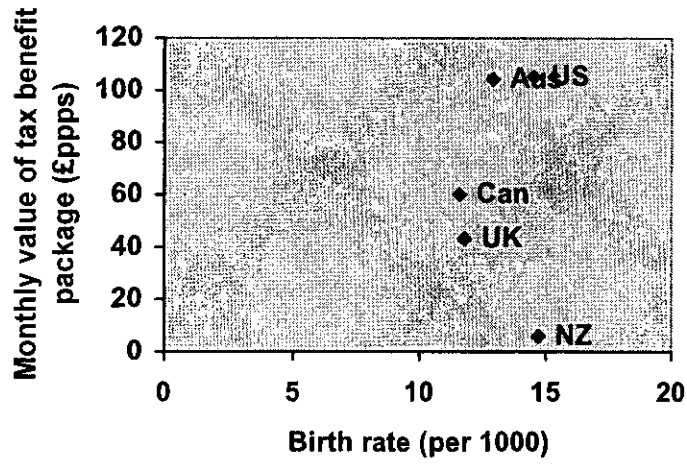


Figure 3.3 makes a similar comparison between national birth rates and the strength of the tax benefit package for a couple with a single earner on average male earnings. Again, with the exception of New Zealand, there seems to be a pattern associating higher tax allowance packages with slightly higher birth rates.

Figure 3.3 Birth rates by the value of the tax benefit package (for a couple with 2 children on average male earnings)



The following chapter explores the characteristics of national maternity/parental leaves and provisions and their relationship to fertility rates.

4 Maternity and Parental Leave Policies

Parental leaves are employment related provisions which were first enacted in the beginning of the previous century in order to protect pregnant working women and promote mother and child well-being. By now most industrialised countries provide some form of job-protected leave for childbirth, which is usually paid leave financed through sickness, unemployment or social insurance benefits². Cross-nationally there is a division between nations on the basis of what their leave policies are designed to achieve. The first type of parental leave policies are aimed to encourage mothers' withdrawal from the labour market and to reduce out of home childcare by providing long-term (more than a year) low-paid maternity provision and insufficient formal childcare places. The second type of parental leave policies are designed to promote female labour market participation (and 'parental choice') by providing short to medium term highly paid leave (optionally supplemented by an extended period of unpaid leave) and good quality childcare provision. The key factors determining women's choices are the duration of the leave and the level of wage replacement.

Statutory maternity/paternity and parental leave provisions and paid leave to care for children are crucial criteria for the reconciliation of employment and family life and for the emotional and physical well-being of children. It is especially women who must face the dilemma of how to combine paid work with caring activities; to choose one above the other, usually involves some financial or emotional cost. This chapter examines the types of leaves and provisions that are available to working parents of young children. The chapter covers four types of parental leave policies in separate sections: statutory maternity/parental leave; extra maternity provisions (e.g. benefits); paternity leave; and childcare leave. The fifth and final section, evaluates leave policies in the light of their relationship to national birth rates.

4.1 Statutory Maternity/Parental Leave

During the last decades most OECD countries have transformed their maternity leave provisions into parental leaves by extending their duration and making them accessible to both parents. Parental leaves vary across countries by their eligibility criteria, duration and wage replacement rate. Australia, Canada, New Zealand, the UK and the US all condition maternity/parental leave and benefits to at least one year of continuous employment (with the US requiring the highest amount of hours worked: minimum 24hrs per week). Two countries, New Zealand and the US, do not provide paid leave, while in the other three nations a relatively short (4 to 18 weeks of) paid period is followed by a longer term of unpaid leave. The countries differ by which parent is entitled to parental leave. In Canada and New Zealand both parents can take up parental leave in the period surrounding the birth of a child. In Australia parental leave is provided only to the primary caretaker which can be either the father or the mother. In the United Kingdom only mothers (or adoptive parents) are entitled to claim maternity leave, while in the United States maternity leave is incorporated into the Medical Act, i.e. it is a form of sick leave to be taken up for medical reasons (by mothers, or by fathers to look after close family members). Table 4.1 summarises the main characteristics of statutory maternity/parental leave provision in Australia, Canada, New Zealand, the UK and the US.

² For a review of parental leave policies in the OECD see Kamerman (2000).

Table 4.1 Statutory maternity/parental leave provision (2001)

	<i>Australia</i>	<i>Canada</i>	<i>New Zealand</i>	<i>United Kingdom</i>	<i>United States</i>
Exists?	Yes	Yes	Yes	Yes	Yes
Eligibility conditions	At least 12 months of continuous service	600hrs of insured work in the 52 weeks before claim	12 months continuous employment min. 10hrs per week	At least 1yr continuous service. Earn at least £312.0/mnth Aged > = 16	At least 12 months in employment with 1,250 hrs of work
Max. length	52 weeks	50 weeks	52 weeks	40 weeks	12 weeks
Length Paid	4 weeks	15 weeks maternity benefit, 35 weeks parental benefit	Only unpaid leave	18 weeks	Only unpaid leave*
% Wage replacement rate	Depends on employer's funds	55% of ave. weekly earnings	Not applicable	6 wks: 90% 12 wks: £62.20/wk	Not applicable
Benefit provider	Employer	Employment Insurance	Not applicable	Employer	Employer
Job protection	Yes	Yes	Yes	Yes	Yes
Part-time option	Yes	No	No	No	No
Social ins. contribution	No	Yes	Not applicable	Only for paid period	Yes

* Five of the 50 states (California, Hawaii, New Jersey, New York, Rhode Island) and Puerto Rico provide mandatory paid leave for eligible mothers under their state Temporary Disability Program (TDI).

In Australia, statutory parental leave (for mothers, fathers and adoptive parents) is available to all permanent employees with 12 months of service. Since May 2001 non-permanent employees who have been employed on a systematic basis for a continuous period of 12 months are also eligible. Parental leave can last up to 52 weeks and is unpaid. The leave is intended for the primary care taker, so both parents cannot take parental leave at the same time for longer than a week. Paid maternity leave is provided by ca 20% of private and 50% of public sector workplaces (of over 20 employees) and lasts on average 4 weeks. The length and coverage of paid maternity leave varies and can be more generous, particularly in the public sector.

In Canada, maternity leave is regulated as part of employment standards and its rules vary considerably between provinces³. Most provinces do have statutory requirements for unpaid leave, but not everybody is eligible for compensation for leave. Parents need to have collected 600hrs (equals 30hrs per week for 20 weeks) of insurable earnings (i.e. excluding the self-employed and unemployed) in the last 52 weeks before their claim to become eligible for leave. Parental leave must start not later than 52 weeks after the birth of the child. Both parents can take up leave simultaneously, but they have a combined total maximum of 35 weeks. Mothers with the requisite credit of insurable employment can receive a maximum of 15 weeks of paid maternity benefits surrounding the birth of a child. A further maximum of 35 weeks of parental benefits are payable

³ In Ontario, there is no separate maternity leave, only unpaid parental leave, which can last up to 37 weeks including 2 weeks pregnancy leave.