



Paid Leave for Mothers of Infants:

Do national guarantees prevent countries from being highly competitive and maintaining low unemployment?

*In countries that have yet to enact paid maternal leave, the debate often hinges on affordability. To assess whether countries can stay economically competitive while providing leave, the WORLD Policy Analysis Center presents updated data and analyses of national laws as of 2015, originally presented in *Raising the Global Floor* (2010).*

Background

- Over the past seventy years, the number of women working for pay outside the home has risen dramatically. Ensuring women in the workforce have access to paid maternal leave is essential for women's earnings and job retention, as well as the health of both mother and child.
- Studies from both high- and low-income countries have shown that maternal leave lowers mortality. Among high- and low-income countries alike, one of the mechanisms for impact is that paid maternal leave makes adequate breastfeeding feasible. Although baseline mortality levels differ, breastfeeding dramatically reduces infant disease and death rates across socioeconomic contexts.
- In addition, among countries that guarantee fully paid maternal leave, women's income and participation in the labor force is markedly higher.



Findings

Low-unemployment countries

- All 12 low-unemployment OECD countries provide at least 12 weeks of paid leave. Five provide 52 weeks or more: Austria, the Czech Republic, Denmark, Japan, and the Republic of Korea.
- Most of these countries provide well over half of women's usual pay during leave. Ten provide at least 70% wage replacement for some or all of the leave. Three provide 100% wage replacement for the entire duration.

Highly competitive countries

- Fourteen of the top 15 highly competitive countries guarantee paid leave for mothers; the only exception is the United States.
- Most provide at least 26 weeks of paid leave, and all but Singapore meet the International Labor Organization (ILO) standard of providing at least 14 weeks.
- Eleven guarantee mothers at least 75% of their wages for some or all of the leave, and all but Australia provide at least 50% wage replacement.

About WORLD

The WORLD Policy Analysis Center aims to improve the quantity and quality of globally comparative data on policies affecting human health, development, well-being, and equity. With this data, WORLD informs policy debates, facilitates comparative studies of policy progress, feasibility, and effectiveness, and advances efforts to hold decision-makers accountable.

Low-unemployment countries: Are mothers guaranteed paid leave?

Country	Paid leave for mothers	Duration of paid leave (weeks)	Wage replacement rate
Australia	Yes	18	flat rate
Austria	Yes	60-112	80-100%, flat
Czech Republic	Yes	164	70%
Denmark	Yes	50-64	70-100%
Iceland	Yes	26	80%
Japan	Yes	58	50-67%
Korea, Republic of	Yes	58.4	40-100%
Luxembourg	Yes	42*	100%, flat
Mexico	Yes	12	100%
Netherlands	Yes	16	100%
New Zealand	Yes	16	100%
Norway	Yes	39-49	80-100%

Notes: Using harmonized unemployment rates from the OECD, we examined policies for the countries that had below the median OECD unemployment rate in at least eight of the ten years from 2005 to 2014.

Highly competitive countries: Are mothers guaranteed paid leave?

Country	Paid leave for mothers	Duration of paid leave (weeks)	Wage replacement rate
Australia	Yes	18	flat rate
Austria	Yes	60-112	80-100%, flat
Belgium	Yes	32.3	75-82%, flat
Canada	Yes	50	55%
Denmark	Yes	50-64	70-100%
Finland	Yes	164.3	70-90%, flat
Germany	Yes	58-110	34-100%
Japan	Yes	58	50-67%
Netherlands	Yes	16	100%
Norway	Yes	39-49	80-100%
Singapore	Yes	8	100%
Sweden	Yes	60*	78%, flat
Switzerland	Yes	14	80%
United Kingdom	Yes	39	90%, flat
United States	No	N/A	N/A

Notes: Using the World Economic Forum's rankings on the Global/Growth Competitiveness Index, we examined policies for the countries that ranked among the world's top twenty competitors in at least eight of the ten years from 2005 to 2014.

Paid leave for mothers includes paid leave for women only (maternity leave) and parental leave that is available to women. Leave duration does not include bonuses that some countries provide when both parents take leave or when a father takes all his allowed leave. We also do not consider policies allowing for part-time leave. Varying wage replacement rates within countries reflect variation in reimbursement rates by duration or type of leave. For example, some countries provide a higher reimbursement rate for the first part of the leave period and a lower rate for the remainder. In addition, in some countries, maternity leave is paid at a higher rate than parental leave, so the amount paid to mothers will vary by leave type. Some countries have a ceiling on the wage replacement that high earners can earn and some provide higher wage replacement rates to low earners; such variation is not shown in these tables.

**Luxembourg and Sweden's parental leave policies also allow parents to take part-time leave with partial benefits for a longer duration.*

