

# ***The Influence and Enlightenment of Paid Parental Leave on Female Employment***

**Yanyang Chang<sup>1,a,\*</sup>**

<sup>1</sup>*College of Liberal Arts & Sciences, University of Colorado Denver, Denver, US*

*a. YANYANG.CHANG@UCDENVER.EDU*

*\*corresponding author*

**Abstract:** This study examines the evolution, state of implementation, and effects of paid parental leave laws on female employment around the globe. Countries have implemented paid parental leave policies to enhance family life and advance gender equality in response to the rise in female labor in recent years. This research highlights the significant influence of cultural and economic disparities on the adoption and execution of parental leave policies, as evidenced by an analysis of policies in Europe, the US, Japan, and other nations. The study discovered that paid parental leave laws can, to some extent, support the balance between family obligations and social-gender equality in addition to increasing women's employment rates and professional advancement. However, the policy implementation still faces challenges such as limited coverage, heavy burden on enterprises and traditional gender concepts. This paper suggests that national legislation, cultural changes and corporate support should be used to improve the effectiveness and social acceptance of the policy, to provide strong support for realizing sustainable social and economic development.

**Keywords:** Paid parental leave, gender equality, women's employment.

## **1. Introduction**

The total amount of women getting into the labor force has increased recently. The International Labor Organization's "World Employment and Social Outlook: Trends to 2024" predicts that in 2023, the rate of female employment involvement across all country income groups will be at or slightly above its long-term linear trend [1]. Despite some improvements, the global gap between male and female participation rates remains large [1]. This is partially due to the fact that having children still has a big influence on women's professions. To balance work and family responsibilities, governments and companies worldwide have introduced a series of maternity policies, among which paid parental leave policies are particularly important. There are two options for payment for parental leave: a fixed rate or nothing at all. Additional leaves consist of parental leave, a leave that is protected by employment and benefits for working parents, and personal, maternity, paternity, and child-rearing leave. Fathers who take paternity leave are also granted protected time off from work. In addition to maternity leave, there is also child-rearing leave [2]. These are all covered by parental leave.

There are many studies on paid parental leave policies at home and abroad. The following questions are addressed by current academic research on the connection between women in the workforce and paternity leave: Does maternity leave affect women's employment differently or equally? Do maternal and paternal leave policies replace or enhance women's work opportunities?

Why is paternity leave allowed in some countries? A few nations without? Using company-level data for analysis, Amin conducted a pilot study of 33,302 enterprises in 53 nations with developing economies. The results showed a strong positive link between offering parenting time and female employment [3]. Ruhm, C. J. used multiple federal data sources to compare paid parental leave policies in other countries outside the United States and analyzed the impact of paid parental leave on female labor market participation rates, family income, public assistance expenditures, etc. [4]. Research results show that paid parental leave policies can significantly increase women's labor market participation rate and positively impact family income and public assistance expenditures. This finding supports the effectiveness of paid parental leave policies in promoting female employment and reducing family financial burdens. Olivetti, C., & Petrongolo, B. used regression analysis and natural experiments to evaluate changes in different countries before and after the implementation of paid parental leave policies, further verifying the positive impact of these policies on female employment [5]. Their research shows that paid parental leave not only helps women return to work but also improves women's careers and earnings in the long term. These findings provide a solid empirical basis for this article's argument that paid parental leave policies play an important role in promoting gender equality and increasing female employment rates.

The process of creating paid leave for parents has taken a while, and each nation has its own unique implementation and structure. The first maternity leave law was passed in Germany in 1883 [2]. Twelve weeks of paid maternity leave plus a six-week postpartum leave are recommended by the 1919 Maternity Protection Convention of the International Labor Organization (ILO). But this kind of legislation was not passed into law in many nations until the late 1960s [2]. The European Union passed the Parental Leave Directive in 1992, providing a policy framework for member states. With the increasing concern about work-family balance, paid parental leave policies have further developed. Many countries have begun implementing more flexible parental leave systems, allowing parents to share leave and encouraging men to participate more in childcare. For example, Japan and South Korea have significantly increased the benefits and number of days of paid parental leave in recent years. The implementation and popularization of paid parental leave are ongoing worldwide, especially in developing countries. International organizations such as the United Nations and ILO have been promoting the popularization and standardization of paid parental leave.

In addition to supporting family life, paid parental leave plays a significant role in advancing gender equality and raising the employment rate of women. Its goals are to advance gender equality, encourage work-life balance, and ensure the long-term, sustainable growth of society. These measures, which give women more time and money to maintain their families, are specifically designed to increase their involvement in the work force. As a result, research on how paid maternity leave affects women's employment has both theoretical and practical importance. By combing relevant literature, this paper explores the development process, development trend and current situation of paid parental leave policies, as well as the impact of parental leave policies on women's employment, providing a theoretical basis and practical reference for policymakers and academia. Paid parental leave policies are not only related to the happiness and harmony of individual families but also affect gender equality and economic development in society at a macro level. Therefore, a deep understanding of the implementation effects and potential impacts of these policies will help optimize existing policies, further promote women's participation in the labor market, and improve the overall welfare of society.

## **2. The Development of Parental leave**

### **2.1. Development of Parental Leave Policies in European Countries**

Policies pertaining to parental leave in Europe date back to the late 1800s. Germany, one of the first Western nations to adopt capitalism and become highly developed, enacted the first maternity leave

legislation in 1883. The International Labor Organization (ILO) proposed offering 12 weeks of paid maternity leave, which included 6 weeks of postpartum leave that had to be taken [6]. This recommendation was made in the 1919 Maternity Protection Convention. However, it was not until the late 1960s that many countries began implementing similar legislation.

In the early 1990s, the European Union adopted the Parental Leave Directive, which provided a policy framework for member states. Since then, many European countries have continued to expand and improve parental leave policies. For example, Ireland introduced parental leave in 1998 and 1999. Parental leave was increased in 1998 in Portugal to 24 months and in Italy to 6 to 10 months [7]. Greece increased maternity leave to 17 weeks and extended parental leave from 3 months to 6 months in 2000 [7]. The core driving force behind these policy changes stems from society's emphasis on achieving a balance between work and family. With the development of the social economy and the change in gender roles, more and more women are entering the labor market, which has put forward new requirements for sharing family responsibilities. By providing paid parental leave, European countries not only support the family life of residents but also reduce career interruptions caused by childcare, thereby improving women's career continuity and job stability.

## **2.2. Development of Parental Leave Policy in the United States**

Compared with Europe, the parental leave policy in the United States started relatively late. It was not until 1993 that the Family and Medical Leave Act (FMLA) was passed. It provided eligible employees with up to 12 weeks of unpaid but job-protected family or medical leave opportunities [4]. Before this act, only a few states had passed similar laws. For example, by 1969, five states in the United States had passed temporary disability insurance (TDI) laws, which provided a certain degree of paid leave protection for workers facing temporary medical disabilities, such as new mothers, to maintain their financial income during the period when they were unable to work [8].

Although many employees are protected by policy under the Family and Medical Leave Act, paid leave is not covered by this legislation. Many American families are financially compelled to take parental leave as a result of this policy. While a few states have made significant efforts in recent years to offer partial pay for leave, paid parental leave is still the exception rather than the rule nationwide.

The United States' parental leave policy highlights significant differences between the country's social welfare policies and those of many European countries. European countries generally tend to provide extensive public welfare policies. At the same time, the social security system in the United States focuses more on the principle of individual responsibility and relies on employer-provided benefits as a supplement. This policy orientation has resulted in the absence of paid parental leave policies at the federal level. In this context, different welfare policy differences between companies further amplify social inequality. Large enterprises and forward-looking companies may set up family-friendly benefits such as paid parental leave on their own. In contrast, employees in small enterprises, low-income families, and the informal sector often do not enjoy corresponding policy support, resulting in difficulties in childcare and careers. Development faces more severe challenges and dilemmas of choice.

## **2.3. Development of Japan's Parental Leave Policy**

The development of Japan's parental leave policy also has a unique history. In 1947, Japan stipulated maternity leave in the Labor Standards Law, allowing all female workers to enjoy 6 weeks of paid leave before and 8 weeks after childbirth, with a wage replacement rate of 60% [9]. The Childcare Leave Law passed in 1991 provides employees with children under 1 year old with reduced working hours and expands the scope of benefits of the parental leave policy [10].

In recent years, Japan's parental leave policy has been revised and expanded many times. In 2001, 53.5% of employees in Japan's private sector provided parental leave. In addition, 56.4% of female employees used parental leave to return to work after giving birth [11]. Implementing these policies has effectively increased women's labor market participation rate and promoted the balance between family and work.

The evolution of policies deeply reflects the urgent need of Japanese society to increase fertility rates, promote career continuity for women, and strengthen the balance between family and work. Japan is a country that values family and social harmony. However, with the advancement of industrialization and modernization, society's demand for a balance between work and family life is growing. Despite this, gender roles in Japan are still relatively traditional, and women often bear more family care responsibilities. Against this background, the government has introduced and expanded parental leave policies to encourage parents, especially mothers, to stay at home to take care of newborns after their children's birth, while encouraging fathers to participate in family childcare activities. The evolution reflects Japan's attempts to ease tensions between work and family responsibilities through policies and improve family life quality.

### 3. Development Status and Trends of Parental Leave

#### 3.1. Research Status

Global research on paid parental leave policies mainly focuses on the following aspects. The first is gender equality and sharing of family responsibilities. Many studies have pointed out that paid parental leave policies play a positive role in promoting gender equality and balancing family responsibilities by encouraging fathers to participate in childcare. Countries such as Sweden have significantly increased men's leave rates and reduced women's childcare burden by introducing a "father quota" system [12]. These measures have improved the division of gender roles and are a guarantee of gender equality in the division of household labor and the protection of women's labor rights. The second is the economic analysis of policy impacts. Foreign scholars are generally concerned about the impact of paid parental leave on the labor market. For example, paid parental leave can increase the likelihood that women will return to work and positively impact family economic well-being. Multiple studies in the United States and Europe have shown that paid parental leave policies can help reduce family economic pressure and improve the quality of life [12]. The third is the cultural impact of policy implementation. Although many countries have implemented paid parental leave policies, cultural factors have an important impact on the effectiveness of the policies. In Japan, the policy is relatively loose. However, some feudal family ethics and traditional culture, such as "men are masters and women are slaves" and "men are masters outside and women are masters at home," still limit men's vacation rate, which reflects the key role of the concept of gender roles in policy implementation [12].

In contrast, research in China has mainly focused on policies' feasibility and implementation effects. First, the legislation and implementation of parental leave policies. Chinese scholars have actively advocated the establishment of a unified national parental leave legislative framework to promote gender equality and strengthen family responsibilities. Although parental leave policies have been implemented at the local level, the lack of unified legislation and clear and detailed implementation rules at the national level has limited the effectiveness of policy implementation [13]. Second, the economic and social impact of parental leave. Studies have shown that paid parental leave positively impacts increasing women's employment participation. However, since companies need to bear part of the cost, policy implementation faces challenges. In addition, the proportion of men participating in childcare is still low. Further research on motivating men to participate in childcare and solving the current situation of "widowed parenting" has become a research focus [13]. In terms

of policy comparison and reference, scholars have extensively analyzed international experience, especially the flexible leave system and family support strategies of Nordic countries, which provide valuable references for China to build a complete parental leave policy system [12].

### 3.2. Research Focus

The implementation effect and utilization rate of policies are an important area of research on paid parental leave. Research focuses on analyzing the breadth and depth of policy coverage, including which groups are most likely to benefit, and the actual utilization rate. Although many countries and regions have introduced paid parental leave policies, their implementation effect and utilization rate often differ from policy goals in practice. The coverage of paid parental leave policies is usually limited by national legislation and local policies. In many countries, the groups covered by policies are mainly formal employees, while employees in informal and flexible employment often find it difficult to enjoy these policies. For example, although the Family and Medical Leave Act (FMLA) in the United States provides unpaid leave protection for many employees, its coverage is limited because it does not cover small businesses and part-time employees [4]. Kalb also pointed out in his research that despite policy support, many eligible individuals do not make full use of parental leave [14]. In China, although parental leave policies have been implemented in many provinces, the utilization rate is low due to enterprises' different levels of cooperation in policy implementation and the lack of understanding of the policy by employees [13].

Paid parental leave policies have far-reaching and complex impacts on the economy, individuals, businesses, and society. These impacts can be positive or negative. On the one hand, these policies can reduce women's career interruptions due to childbirth, help them return to the workplace smoothly, and enhance career stability and continuity. As the Ginja Research Institute pointed out, this may improve women's workplace status and income levels [15]. However, long parental leave may lead to a decline in women's competitiveness in the workplace, affecting their career development opportunities and salary growth. Some studies have shown that excessive parental leave may lead to a "motherhood penalty," that is, women are treated unfairly or lose promotion opportunities in the workplace due to childcare [16]. From the perspective of wage growth, in the short term, paid parental leave policies guarantee women's economic security. However, in the long term, the skill regression and experience gaps caused by career interruptions may slow women's income growth and exacerbate the gender income gap [5]. Paid parental leave policies may mean a short-term decline in productivity and increased costs for companies, especially when a replacement workforce is needed for employees on leave. Companies may need to bear additional training and recruitment costs. Parental leave is in a dilemma where the policy "pays," but the enterprise "pays" [17]. The overall economic impact on society is also worth noting. Paid parental leave policies can increase overall labor market participation rates, especially for women, which plays an essential role in economic development and growth because it increases the availability of human resources. These policies can also reduce social inequalities by promoting gender equality and supporting family life, thereby creating a more favorable environment for long-term social stability and economic growth.

Cultural background and policy acceptance are important factors affecting the implementation of paid parental leave policies. Different cultures' traditional concepts of gender roles and allocation of childcare responsibilities will significantly affect the utilization and acceptance of parental leave policies. In many cultures, traditional gender role concepts place childcare responsibilities primarily on women. Even if policies provide opportunities for men to take parental leave, cultural stereotypes still limit men's actual willingness and behavior to take leave. The support structure of family and society for childcare in different cultures also affects policy acceptance. In some East Asian countries, mothers generally bear the primary childcare responsibilities, while fathers are less involved, which partly reflects cultural barriers to policy implementation. Even when paid parental leave policies are



in place, utilization rates vary based on cultural factors. When men choose to take time off, they may face pressure from the workplace and society, and taking time off can affect their career prospects and social status. Policy acceptance is also related to the public's understanding of the parental leave policy. Many people lack an understanding of the details of the policy, resulting in low policy utilization.

#### 4. Conclusion

Paid parental leave policies are evolving worldwide, aiming to support family life, promote gender equality, and increase women's labor market participation. By reviewing relevant research at home and abroad, it can see the implementation status of these policies in different countries and regions and their multiple impacts on the social economy.

European countries, represented by Sweden and Germany, have more comprehensive policy designs, usually providing longer paid parental leave and actively encouraging fathers to participate in childcare. These policies have not only increased the employment rate of women but also promoted the development of gender equality to a great extent. Although the United States passed the Family and Medical Leave Act in 1993, its lack of coverage and paid support has limited the effectiveness of the policy. Only a few states provide partially paid parental leave, which imposes an economic burden on low-income families. Japan's parental leave policy is relatively complete in the legal framework, but due to cultural factors, especially the influence of traditional gender roles, men's parental leave utilization rate is low. This reflects the complex relationship between policy implementation and cultural acceptance.

This article finds that paid parental leave can reduce gender role differences in the family. By encouraging men to take leave to share parenting responsibilities, gender equality can be improved both inside and outside the family. Parental leave policies have an important impact on women's careers. Although they help women return to the workplace and increase family income, they can also lead to career stagnation and long-term income gaps. For companies, short-term productivity losses and economic costs may be challenges, but these policies help improve employee loyalty and productivity in the long run. Different cultural backgrounds have different acceptance of parental leave policies. Traditional concepts still play an important role in many countries, especially in societies with fixed gender roles, which affects the actual use of policies.

At present, there still needs to be more coverage of parental leave policies around the world. Promoting unified parental leave legislation nationwide is recommended to improve the popularity and operability of the policy. Through government incentives, reduce the economic burden of parental leave on companies, while promoting the transformation of corporate culture and supporting employees' family life. Through policy guidance and social advocacy, promote gender role changes and encourage more men to participate in childcare. Through continuous policy evaluation and research, identify problems and deficiencies in policy implementation and provide a basis for policy improvement.

The paid parental leave policy is an important measure to support gender equality and promote family happiness and social development. It is recommended to introduce national parental leave legislation to ensure the uniformity and operability of policy implementation, increase policy coverage, and allow more people to enjoy parental leave benefits. Measures such as government subsidies and tax incentives help companies, especially small and medium-sized enterprises, reduce the cost burden of parental leave. Through legislation to force fathers to take leave or implement a quota system, encourage men to participate in childcare and promote gender equality. Strengthen policy publicity and education to improve employees' awareness and understanding of the policy. Continue to evaluate the effectiveness of the policy, learn from the successful experience of other countries, and adjust based on the country's actual situation.

Although there are many challenges in implementation, the potential of these policies can be more fully realized through legislation, cultural change, business support and public education. In the future, the government, businesses and all sectors of society need to work together to promote the improvement and implementation of policies, which will not only promote gender equality but also provide support for long-term social development and economic growth.

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