

COMPARISON OF SELECTED CONTROLABLE FAMILY ALLOWANCES IN EU MEMBER STATES

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Abstract: The paper deals with the system of application of European Union coordination regulations on the payment of family allowances. It focuses on comparing selected controlable family benefits, namely parental allowance, to compare the duration of parental leave in the EU Member States between 2010 and 2016 with respect to the Slovak Republic.

Keywords: co-ordination, family benefits, parental allowance, parental leave

1 Introduction

Social security policy is one of the components of social policy. Social security law is made up of a number of international treaties and legal norms, legally binded on international legal, political and social documents. By joining of the Slovak Republic with the European Union, we have agreed as a Member State, to the application of European law to the social security system. Harmonization of the reciprocal relationships between social security systems is subject to coordination rules aimed at safeguarding social security rights for citizens enforcing the right of free movement.

2 Coordination of social security systems within the EU

Slovakia's accession to the EU on 1 May 2004 obliges the Slovak Republic to comply with the legal norms of the European Community (EC), thus changing the status of Slovak citizens regarding their movement within the EU countries. New possibilities have opened up for the use of the fundamental freedoms of the EC within the single market, in particular in the form of free movement of persons and job opportunities, migration of workforce, which also has an impact on family benefits. Council Regulation (EC) No. 883/2004 from April 29th on the coordination of social security systems replacing the Council Regulation (EHS) č. No 1407/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community, Regulation (EC) No 987/2009 of September 16th 2009 laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems, which replaced Council Regulation (EEC) 574/72 laying down the procedure for implementing the EEC Regulation no. 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community. (more at <https://www.employment.gov.sk/>).

The introduction of new coordination rules also entails new rules in the form of active provision of information to citizens provided by social security institutions and must be available; strengthening cooperation between EU Member States' institutions, which should shorten the time-limits for reimbursement between them, in order to make it more efficient towards citizens and to speed up the provision of services; the development of electronic exchange of information in the field of social security, the EESSI system, set up by the European Commission to reduce the administrative costs of the institutions; the introduction of simplified rules for determining the relevance of legislation relating to the particular situation of the person concerned.

3 Application of family benefits in accordance with the coordination rules

A claim for family allowances applied in accordance with the coordination rules may be filed in any EU Member State in which the applicant or the other parent of the child has a claim for them. The competent authority in the Member State where

the entitled person submits the application for family allowances shall inform the other Member States which, under the rules of the coordination regulations, have the appropriate responsibility arising from the migrant citizen's situation. It means, when applying for family allowances in one of the Member States, in the case of overlapping benefits, the applicant has simultaneously met the deadlines in all other countries where the claimant is also entitled to family allowances. It follows that a migrant citizen cannot lose family allowances because, of the Member State in which he originally submitted the request has submitted it to the competent authority in another EU country late. When assessing the applicable legislation of the Member State concerned in the field of social security, the national authorities are obliged to cooperate with each other. In order to avoid linguistic barriers in their mutual communication, standard documents in the form of portable documents (E-forms) are used to exchange information to enable migrant citizens to claim their right to move within the EU. Under the conditions, the institution of another Member State will obtain the necessary information directly from the competent institution of the applicant's State, which may result in a certain delay in the assessment of entitlement to allowances. The competent institution may also request an authorized person (migrant worker) to provide the information or documents necessary to prove his rights and obligations (EU Committee, 2010). In the following part, we will focus on maternal and parental leave within the EU and compare state childcare in the Member States in terms of entitlement and duration of maternity or parental benefit.

4 Comparison of selected coordinated family benefits in the EU Member States

As a selected controllable family allowance, we chose parental allowance, focusing on family policy tools to enable both parents to participate in child's education and care. We compared state childcare in individual EU countries, namely in terms of the conditions of entitlement and the duration of parental leave with respect to the Slovak Republic in the period 2000-2016. In addition to the length of parental leave, we also compared the duration of parental or paternity leave preceding it. When comparing, we focus not only on the duration of parental, maternity and paternity leave in the years 2000-2016 in the individual EU Member States, but also on their development over the reference period of the years in order to detect their increasing or decreasing trend in duration. As there are countries within the EU that do not have a legislative statutory charter similar to the parental allowance we use the term parental leave.¹

The aim of the comparison is, within the framework of coordinated family benefits, to compare the duration of parental leave in the EU Member States between 2000 and 2016 with respect to the Slovak Republic in order to compare the conditions for ensuring a proper childcare. Based on OECD statistics in the period 2000-2016, we have found that maternity leave varies considerably across EU countries. Germany, Belgium, Austria, France, Luxembourg, the Netherlands, Spain, Finland, Denmark, Italy, Hungary and the Czech Republic have had a constant maternity leave in the period. On the contrary, in other countries the length of maternity leave has been prolonged or shortened. Portugal has reduced the duration of maternity leave (ML) from 2009 from 17.1 weeks to 6.4 weeks and from 2015 only 6.0 weeks, which represents a decline of almost 65%, making it the country with the shortest duration of maternity leave.

¹Deliberately we use the term parental leave, as some EU Member States have legislation in its character even established a similar dose as the parental allowance in Slovakia. Such countries include, for example, Cyprus, Greece, the Netherlands, Ireland, Iceland, Liechtenstein, Lithuania, Malta, Spain, Switzerland and the United Kingdom. The term parental leave is also outlined in Council Directive 2010/18 / EU of 8 March 2010 implementing the revised Framework Agreement on Parental Leave.

The second EEA country with the shortest duration of the ML is Norway², with a current duration of 13 weeks. Until 2013 the duration of the ML has not changed but it increased by 88.88% in 2014 (namely from 9 weeks to 17 and in 2015 it dropped again at the current 13 weeks. Right behind is Germany with a duration of ML for 14 weeks and Belgium together with Slovenia with a duration of 15 weeks. These are followed by the aforementioned countries with a constant length of ML in a given period of 16 weeks, namely France, Latvia, Luxembourg, the Netherlands and Spain. Furthermore, Finland with a duration of ML 17.5. and Denmark together with Lithuania for a duration of 18 weeks. To the European average (according to the OECD 19.1 weeks), Sweden is closest, with a difference of 0.8 weeks in 2016 with 19.9 weeks. Between 2002 and 2015, the ML duration was shorter, lasting 15.6 weeks and in the years 2000, 2001 it lasted 11.3 weeks, which means shortening the duration of ML in the given years by 4.3 weeks from the previous period, and therefore a 27.56% increase from 2015. Sweden is immediately followed by Estonia and Poland with a duration of ML of 20 weeks. The percentual increase in the standard length of MD is 21.43%, which is 6 weeks. In 2006, ML duration of 34 weeks started Ireland, but before there was a duration of 18 weeks in the year 2000 and 26 weeks in years 2001- 2005. Since 2007, the duration of the ML is at present 42 weeks, representing a percentage increase of 23.53% over the previous duration. It follows that each extension of the duration of ML has been constantly increased by 8 weeks. With the difference of 1 week, there is Greece, which until 2007 had a duration of ML much shorter than the current length, with a duration of only 17 weeks. Extension from 26 weeks to the current 43.0. is the longest among all EU Member States. The country with the longest duration of ML is England, lasting up to 52 weeks. By 2003, ML had a duration of 40 weeks, so the percentage increase in ML duration is currently equal to 30.0%. Paternity leave is a feature of some EU Member States. In spite of today's advanced pro-family policy, there are still countries that do not know paid paternity leave. Such countries include Cyprus, Malta, Ireland, Switzerland, Slovakia, and until 2016 also Czechia, which subsequently became a newcomer to the introduction of 1-week paternity leave after the birth of a child and up to 6 weeks from the birth of a baby, claiming 70% of the wage base. In this case, Slovakia is a questionable country, since it also allows the father of a child to claim maternity leave under certain conditions. As with the mother of a child, the entitlement is subject to a sickness insurance of at least 270 days in the last two years and to the taking of the child into care on the basis of an informal agreement with the mother of the child, but at the earliest after the child has reached the age of 6 weeks. The entitlement to maternity leave lasted 28 weeks and the father of the child could apply it at the latest until reaching the age of 3 years. The other condition is that he must not have an active income from his employment, with the exception of father being self-employed, who can take do business and have income from self-employment at the time of taking a paternity leave. However, this does not mean that the father employee cannot have income from another employment. For the mother of a child, this means that at the time of receiving the paternal allowance she cannot simultaneously receive her maternal or parental allowance and must obtain health insurance. In the case of a mother who has an employment relationship, it means mostly that she returns to work and for the unemployed mother that she enrolls at the Office for Employment as a job seeker and state pays for her insurance. Italy had the shortest paternity leave of only 0.2 weeks until 2015, which in the year 2016 had a duration of 0.4 weeks being same as in Greece and the Netherlands. While Greece belongs to countries with a constant duration of paternity leave in the reference period, the Netherlands has returned to its original duration from 2002 to 2008 in 2015, reducing the duration by 26.0 weeks, representing a drop of 98.5% compared to 2009-2014, when paternity leave lasted 26.4 weeks same as in Luxembourg over the whole period. Countries with a constant duration include Hungary with the duration of paternity leave of 1 week. since 2002. Other countries that have introduced

paternity leave only recently, namely in 2016, include Latvia with a duration of 1.4 weeks. and Lithuania lasting 4 weeks. Paternity leave usually lasts for 2 weeks, evidence to this are Member States such as Denmark, Estonia, Poland, England and one day apart Spain. In England, paternity leave is compulsory, but its duration has been constant since 2003, which cannot be said about Denmark, Spain and Poland, where the length of paternity leave has changed. In Poland, paternity leave was introduced in 2010 for 1 week and consequently in 2012 the period was extended by 1 week. to the current 2 weeks, representing a 100% increase. Spain also extended the duration of the paternity leave in 2007 from 0.4 weeks to the current 2.1 week. In most EU Member States, the length of paternity leave has been prolonged, but in Denmark, since 2002, it has sharply decreased from the previous 17 weeks to the current 2 weeks, which represents a percentage decrease of 88.24%. From 2012, Slovenia introduced paternal leave, which lasted 2,1 weeks and until 2015 equaled duration in Spain. Extension in the form of 0.8 weeks came in 2016, when the length of the paternity leave in Slovenia reached 2.9 weeks, which is an increase of 38.1%. The average length of paternity leave, according to OECD is 8,2 weeks and the closest to this are Austria and Germany with a difference of a couple of days.

From the point of view of coordinating social security systems, we have furthermore focused on comparing the length of parental leave with protection against employment loss in the EU Member States over the period 2000-2016. A specific country is Switzerland, as it is governed by cantonal laws and federal harmonization law. At federal level, family allowances only for employees and self-employed in the agricultural sector are regulated. They recognize family benefits in the form of child allowances, a contribution to attending a vocational training course and a household allowance. In other sectors, it is possible to ask for a child birth grant and a child's adoption allowance in some cantons (https://ec.europa.eu/info/index_sk / Your social security rights in Switzerland_sk). The entitlement to a parental allowance in Belgium is conditioned by the full-time or part-time work of a parent who discontinues his or her private or public service activity for the purpose of childcare from the date of the child's birth or adoption up to the age of 6 years or 8 years child's age at adoption. By 2011, parental leave in Belgium was 13.0 weeks. and has been prolonged since 2012 to the current 17.3 weeks, representing a percentage increase of 33.08%. (https://ec.europa.eu/info/index_sk / Your social security rights in Belgium_sk.) The Greece also has the same duration of parental leave as of 2012, but without financial compensation for care in the form of parental allowance. This means that the parent is protected for the duration of parental leave from the loss of employment due to child care, but without the right to a reimbursement of income. Similarly, England and Ireland are 18 weeks of parental leave. Even though the parents of children in Ireland do not have paid parental leave, some single mothers and low-income families may be subject to a defined form of reimbursement (for childcare) under the exact conditions laid down for single-parent families or a bonus to a family income (ec.europa.eu). With parental leave of 26.0 weeks. followed by Italy, Luxembourg and the Netherlands, representing 8 weeks longer parental leave, with a percentage increase of 44.44% over the previous two countries.

The average duration of parental leave with protection against child labor loss in the EU Member States, according to OECD statistics, is 65.7 weeks, to which Sweden is the closest. Compared to the SR, the average length of parental leave within the EU is by half the shorter. Slovakia with a duration of parental leave of up to 130.0 weeks, which is the eighth country with the longest parental leave in the EU. With the difference of 4 weeks longer to the neighboring Czech Republic and 6 weeks to Hungary. Compared to the country with the longest duration of parental leave, Spain with a length of 150.0 weeks, Slovakia has a parental leave shorter by 20 weeks and the countries with the shortest duration of parental leave, Belgium and Greece, with a length of 17.3 weeks, longer by 113 weeks. This shows that the SR has a much longer parental leave compared to the average length of parental leave in the EU.

²In the EEA, we present the duration of maternity and paternity leave in Norway, as it is also referred to in the table of OECD.

The average duration of maternity leave in the EU Member States, according to OECD statistics, is 19.1 weeks, with Lithuania and Sweden diverging by a few days, exceeding the European average by a few days. Compared to the SR, where maternity leave lasts 34.0 weeks, the average maternity leave in the EU Member States is shorter by nearly 15 weeks. Making it a country with the fourth longest maternity leave in the EU after England, Greece and Ireland. Immediately after Slovakia with a difference of 6.0 week is the Czech Republic and with a difference of 10.0 weeks, Hungary. It follows that the SR is among the countries with the duration of maternity leave high above the average of the EU. The average duration of paternity leave in the EU Member States, according to the OECD statistics, is 8.2. Countries that do not know the paternity leave are Cyprus, Malta, Ireland and Switzerland. Before the year 2016, the Czech Republic was also among them, but in the last year it became a newcomer in the introduction of a 1.0-week paternity leave after the birth of a child and up to 6 weeks from the birth, claiming 70% of the wage base. The country with the shortest parental leave is Switzerland, which does not even know it, because it is a specific country governed cantonal laws and federal harmonization law. They only recognize family benefits in the form of child allowances, a contribution to attending a vocational training course and a household allowance. However, when we define it as a specific country, Belgium with Greece take the lead with duration of 17,3 weeks and with a few days difference Ireland and the United Kingdom with duration of 18.0 weeks. Countries with the longest parental leave include Estonia together with France of 146.0 weeks, Germany together with Lithuania with a duration of 148.0 weeks and lastly Spain, with a duration of 150.0 weeks. Shortest maternity leave of only 6.0 weeks has Portugal the opposite is United Kingdom with a duration of up to 52.0 weeks. Shortest paternity leave of 0.2 weeks duration was until 2015 in Italy, but currently it is 0.4 weeks in Greece, the Netherlands and already mentioned Italy. The longest paternity leave of 28.0 weeks has France. In England, paternity leave is mandatory for a duration of 2.0 weeks.

The duration of maternity leave, which mostly precedes parental leave, has been prolonged or shortened alternately between 2000 and 2016 in individual EU countries.³ From this point of view, the trend of the percentage is an increase in the majority of Member States, with the exception of Portugal, where only a decline could be seen. Within the EEA, the trend of the initial prolongation and the subsequent decline was followed by Norway in 2015. The most frequent changes in the duration of maternity leave occurred in Poland, which alternately went through a percentage increase and decline. The largest percentage increase in maternity leave in the EU Member States, up to 152.94%, occurred in 2008 in Greece. Countries with a constant ML duration include Germany, Belgium, Austria, France, Luxembourg, the Netherlands, Spain, Finland, Denmark, Italy, Hungary and the Czech Republic. Due to the extension of the duration of the ML, the duration of parental leave in Slovakia was reduced, but still with the entitlement to reach the age of 3 years, in the case of extension of parental allowance for the child's health reasons up to the age of 6 years of the child. Thus, taking into account the possibility of extending parental benefit for health reasons, the Slovak Republic is among the EU countries with the longest parental leave period, although the duration of parental leave has been reduced by 6.0 weeks, which represents a percentage decrease of 4.42%. As part of the development of the duration of parental leave, there is a prolongation in most EU Member States. The largest percentage increase since 2000 - 2016 occurred in Austria, of 24.7%. The constant length of parental leave is in Italy, Luxembourg, Czech Republic, Hungary, Estonia, France, Germany and Spain. On the contrary, Denmark, Sweden, Norway and Slovakia were a percentual decline was occurring. The largest drop of 11.67% occurred in Sweden during the period 2000-2016. Paternity leave in the EU Member States has gradually been prolonged in

most countries. The biggest increase in the duration of paternity leave of 26.0 weeks, was observed in 2009 in the Netherlands, but then in 2015 there was a sharp drop of 98.5% on the current duration of paternity leave to 0,4 weeks, which places it among the countries with the lowest duration of paternity leave within the EU.

In 2014, there was a sudden increase in the duration of paternity leave in France by 26.0 weeks, which represents a percentage increase of up to 1300%, making it the country with the longest duration of paternity leave within the EU. In 2009, the duration of paternity leave was also increased in Portugal by just under 17.0 weeks representing a percentage increase over the previous years. Denmark and Austria have a shrunk the trend. Denmark in 2002, with a drop of 88.24% and Austria in 2008 by 50.0%, and a decrease of 33.08% in 2010 compared to the previous year. Despite the fact that in most EU Member States the length of paternity leave is gradually being extended, there are still states within the EU that have yet to introduce the paternity leave.

5 Conclusion

By comparing the duration of parental leave within the EU Member States between 2000 and 2016, we found that they differ considerably. According to the OECD, the average duration of parental leave is 65.7 weeks. In comparison, the length of parental leave in Slovakia is twice that long, making it the eighth country with the longest duration. Taking into account the possibility of extending the parental allowance for the child's health reasons until the age of 6, Slovakia is among the countries with the longest paid parental leave. The advantage is that, in addition to taking an extended parental allowance, moms can perform their work without restrictions and children can also attend pre-school facilities.

Compared to the SR, where maternity leave lasts 34.0 weeks, the average maternity leave in EU Member States is 15.0 weeks shorter, making it the fourth country after England, Greece and Ireland with the longest maternity leave in the EU. It follows from the above that the SR is listed among the countries that are well above the average within the EU considering the duration of maternity leave. Based on the above, we found that mothers in EU countries are valued differently, as the amount of paid maternity leave represents a different percentage of the average monthly wage. Mothers in Estonia, France, the Netherlands, Croatia, Lithuania, Luxembourg, Germany, Poland, Portugal, Austria, Slovenia and Spain receive full wages even during maternity leave.

Despite the fact that in most EU Member States the length of paternity leave is gradually being extended, there are still states within the EU that have not introduced paternity leave yet. As has already been mentioned, the duration of maternity and parental benefits in the EU Member States varies, so it is possible, after termination of the allowances in the primary country to ask for allowances in the secondary country, if the duration period of the allowances is longer in this country. Also, with the lower amount of the contribution paid, the entitled person has the option to apply for a supplement from the secondary country to the amount of the allowance in that country. It is unrealistic to impose the same maternity and parental benefits in all EU countries but by some harmonization of social security systems and equal treatment of entitlement to family benefits within EU countries, the migration of the parents with goal of economical usage of the social system could be limited. The structure and traditions of the social security systems of the European Union countries do not allow the development of identical community social systems, but the free movement of persons, Europeanization as a form of globalization, and efforts to create a European social model have an integration tendency in the area of family benefits as well.

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