



FLASH REPORT

Country:	Iceland
Title:	Maternity/Paternity Leave Payments
Date:	08 January 2019
Expert:	Herdís Thorgeirsdottir
Context	
Issue at stake:	Higher roof for payments during maternity/paternity leave
Ground of discrimination:	Sex
Source:	Legislation
Field:	Maternity/Paternity leave
Applicable law:	Act on Maternity/Paternity Leave and Parental Leave No. 95/2000

Content

The maximum payments during maternity/paternity leave will be increased by ISK 80 000 (EUR 574) from the beginning of the year 2019. The ceiling for Maternity/Paternity Leave payments has never been higher as regards crowns but the value of the crown was greater before the financial collapse in 2008. By increasing payments, it is hoped that fathers will be more inclined to take the leave they are entitled to according to the Act on Maternity/Paternity Leave and Parental Leave No. 95/2000, according to the director of the Maternity/Paternity Leave Fund. According to Act No. 95/2000 parents shall each have an independent entitlement to maternity/paternity leave for up to three months due to birth, primary adoption or reception of a child in permanent foster care. This entitlement shall not be assignable. In addition, the parents shall have a joint entitlement to an additional three months, which either parent may draw in its entirety or the parents may divide between them (Art. 8 of the Act No. 95/2000).

A parent acquires the right to payments from the Maternity/Paternity Leave Fund after she/he has been active on the domestic labour market for six consecutive months prior to the birth of a child or the date on which a child enters the home in the case of adoption or permanent foster care. The work contribution of a self-employed parent shall be based on the payment of the insurance levy on calculated remuneration for the same period.

The Maternity/Paternity Leave Fund's monthly payment to an employee during maternity/paternity leave shall amount to 80 % of her/his average total wages.

The highest payments to parents of children born from 1 January 2019 will be ISK 600 000 (EUR 4 303) instead of the current maximum of ISK 520 000 (EUR 3 728) according to a new regulation. The total increase in payments amount to ISK 1,8 billion.

Internet link source:

Ministry of Welfare website/RUV / Icelandic Public Service Broadcasting;
<https://www.stjornarradid.is/efst-a-baugi/frettir/stok-frett/2018/12/18/Hamarksgreidslu-r-i-faedingarorlofi-haekka-um-80.000-kr.-a-manudi/> and
<http://www.ruv.is/spila/ruv/frettir/20181218>.