Universal Paternity Leave Needs More Than New Laws for a Push

Even when paid leave is guaranteed, many men fear it would set them back at work. A new study from Norway shows a way to a solution.

By Seema Jayachandran

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Many men say they are reluctant to take paternity leave because they worry it will hurt their careers. But a new study of workplaces in Norway suggests that companies can alleviate that concern by strongly encouraging new fathers to take time off.

As many studies have shown, the social and personal benefits of paternity leave are plentiful. Fathers and their children grow closer in lasting ways.

If universal paternity leave became the norm, it could also be expected to ease some of the burden that has had detrimental effects on many working mothers, allowing them to better balance their own careers and parenthood.

While paid paternity leave is common in many countries, it is not required in most of the United States. That could change: President Biden has proposed a nationally mandated 12 weeks of paid parental, family and personal illness leave — of which paternity leave would be a part — in his American Families Plan.

But the Norwegian example suggests that while making paid paternity leave available to everyone is critically important, it is only a first step. Even with the door open, many men will walk through it only if doing so is compatible with staying on the fast track at work.

Norwav provides much of the best evidence on men’s career patterns after
paternity leave, thanks to a major policy change there in 1993. Fathers of children born after April 1 that year became eligible for four weeks of use-it-or-lose-it fully paid parental leave. As a result, the share of fathers taking leave jumped to 50 percent, from about 5 percent.

A study by two economists published in 2013 found that Norwegian men’s salaries grew more slowly if they took paternity leave. The researchers estimated that five years later, men earned 2 percent less than they would have if they hadn’t taken the leave. This persistent loss of income helps explain why many eligible men have forgone the benefit.

A new study by the economists Hyejin Ku at University College London and Julian Johnsen and Kjell Salvanes at the Norwegian School of Economics revisited the Norwegian case to figure out why this pay gap existed.

One hypothesis was that a worker’s skills became rusty while he was on leave, making him less productive when he returned. A second plausible explanation was that after bonding with his children during paternity leave, the father became less focused on his work and put in less effort.

The new working paper by Ms. Ku, Mr. Johnsen and Mr. Salvanes finds that something else is going on: The short amount of time away from the office gives co-workers a small advantage over leave-takers that shows up in promotions and other workplace advantages.

The new study came to this conclusion by re-examining the 1993 policy in Norway, but with a twist. The researchers looked at cases where, coincidentally, a man’s “competitors” at work all took paternity leave around the same time. The study defined a man’s likely competitors as male co-workers with a similar education level and age; many of them had children around the same time.
Strikingly, if the competitors were also on leave, the setback to a man’s career from taking leave was negligible. It was when a man took leave but his competitors did not that his earnings suffered.

If the cause of the pay gap had nothing to do with competition — if men’s skills atrophied or they chose to put less priority on their careers — they would have been expected to earn less later regardless of what their co-workers were doing.

We may not commonly call our co-workers competitors, but in a sense they often are exactly that, and not just in Norway. For example, one study found that, in Italy, young workers’ careers stalled when a pension change caused senior colleagues to postpone retirement. On a more morbid note, another study found that in Germany, workers enjoyed a salary bump after the unexpected death of co-workers.

Even if it is not consciously understood, this competition for scarce opportunities for advancement means that workers can be stuck in a kind of arms race, requiring them to be ever-present at work. One father chooses to forgo paternity leave to avoid being edged out. His competitor makes the same choice. They remain neck and neck for a promotion, but they would have also been neck and neck — yet happier — if both had taken leave.

Counterintuitively, removing people’s freedom of choice by requiring them to take leave could make them better off. It would compel them, figuratively speaking, to lay down arms and spend more time at home with their children.

Forcing people to take leave that they don’t want may be unacceptable. A less heavy-handed version of the same idea, with similar economic logic, would be for companies to strongly encourage paternity leave, perhaps by paying more generously those who took it.

A virtuous cycle might begin. Once more workers took leave, the penalty for doing so could be negligible or nonexistent, so more people would take it. Any social stigma attached to taking leave would dissipate, too.

Companies would be helping their female employees’ careers if they created a new norm around paternity leave. For the same reasons of workplace competition and stigma, a smaller gender gap in parental leave would be good for women’s careers.

A concrete step that senior executives could take would be to lead by example.
as Alexis Ohanian at Reddit and Mark Zuckerberg at Facebook prominently did. The tech industry has sometimes been on the vanguard with paternity leave, and the research in Norway offers a new perspective on why that may be: Many tech companies are fast growing, so they have more room for employees to move up the ranks. When career advancement is less zero sum among co-workers, the paternity leave penalty is naturally smaller.

The lesson from the Norwegian study is not that we need to make every company grow faster. It is that there is no fundamental reason for paternity leave to hurt a man’s career. The solution is not only to make paid paternity leave a legal mandate but to encourage it sufficiently that it becomes commonplace.

Seema Jayachandran is an economics professor at Northwestern University. Follow her on Twitter: @seema_econ