



VELFERÐARRÁÐUNEYTIÐ  
*Ministry of Welfare*

**Opening speech**

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**ISSA technical seminar on gender mainstreaming in social security**  
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Dear guests.

On behalf of the Ministry of Welfare I would like to welcome you all as well as thanking the speakers - as well as other participants - in advance for their contribution to our seminar on gender mainstreaming in social security. The Minister of Social Affairs and Equality sends his best wishes. Unfortunately, he was not able to be with us today.

Social security is one of the cornerstones of the Nordic welfare models. Most individuals in modern societies would like to be financially sustainable and earn a living without financial support from the state. Therefore, we would like to have as many active in the labour market as possible. Nevertheless, periods, longer or shorter, come up in most people's life where assistance is needed from the society to survive.

The right to social security is often on condition that individuals have been active in the labour market for certain period of time. Benefits are often calculated on the basis of previous earnings but in other cases there are flat-rate-benefits which can differ according to how long individuals have been active in the labour market. Therefore, the work history of the person can have an impact on his or her rights. That makes it important to look into the social security system from the perspective of gender like we are doing here today.

I think I can say that the traditional forms of social security systems have been built around workers, often men, in a stable, long-term employment relation. However, the fact is that across Europe, women remain considerably underrepresented in the labour market where overall employment rate of women is still lower than of men. Women are also more likely than men to take on a part time job.

Caring responsibilities are often mentioned as the reason for women's inactivity in the labour market. In countries where women's participation in the labour market is high and with better education, it continues to be more common for women to discontinue their participation in the labor market for a longer period than men while taking parental leave or taking care of seriously ill or dependent relatives.

These gendered trends do tend to have implications for salary in the long run, resulting in less income and later in the lifetime lower pension benefits calculated on the basis of previous earnings.

We all know that we have to overcome gender-based social norms and gender stereotypes, which are deeply rooted in our societies, to bridge the gender pay-gap and to encourage women to participate actively in the labour market. We also know it will take time, so we have developed important tools to speed up the progress which we will learn more about today.

At the same time, we like to activate more women, people would like to have children and take good care of them. Many countries with relatively high gender equality face the trend of declining fertility or birth rate.

It is very important to support work-life balance for parents and I would like to use this opportunity to welcome recent proposals of the European Commission on the issue. Establishing a good maternity/paternity leave system is one way to do it. Equal rights of women and men to take time off for caring for their children is crucial.

The experience shows that the amount of payments in maternity/paternity leave have influence on fathers using their rights but not the mothers. Thus, we need to ensure as less impact on the parent's income as possible while taking parental leave in order to encourage fathers to use their rights.

It is necessary to think of the influence of having maternity/paternity leave on parents' future occupational pensions rights. Bearing in mind these effects in the year 2000 when the Act on Maternity/Paternity Leave and Parental Leave was adopted in Iceland, the parents have since then been obliged to contribute to their occupational pension fund during the leave.

The Maternity/Paternity Leave Fund then pays a contribution to the pensions funds equal to the legally binding contribution of the employer.

The aim is to reduce the impact of having children on the parent's future occupational pension rights, to prevent a gap in achieving the rights, to reduce the difference in pensions rights of women and men.

Accordingly, the same applies for other job related social rights in Iceland, such as unemployment benefits and benefits for parents of children with long-term illnesses or seriously disabled children.

Nevertheless, we have more challenges to come. The future of work is one of the most popular topics these days as we will hear more of later today.

There are many questions coming up in this respect, for example what will be the impact of artificial intelligence and automation on work and will there be enough jobs left; We are also seeing changing models for work and work structure, including increasing use of temporary contracts along with a growing prevalence of freelance workers. You can also hear worries concerning joblessness and welfare dependency.

In 2017 The Nordic Governments in close cooperation with the Nordic Social Partners started a multiannual project that focuses on the future challenges in the labour market with the aim of analysing how the Nordic working life might look like in 2030. We need to be concerned how the future of work will influence the social rights of workers, also from a gender perspective view.

According to OECD documents greater work flexibility and choices in where, when and how to work goes hand in hand with higher employment rates among mothers. At the same time more flexibility can result in increased working hours and problems in separating work and personal life which increase stress.

Therefore, the Governments in cooperation with the social partners need to ensure that more flexible ways of working do not lower job quality or the access to social protection system.

It is necessary to ensure that our future social security systems are taken account of the new non-standard employment. For example, we have seen in several European countries a rise in dependent self-employment and workers working within two or more countries so there is need to ensure access to social protection for those workers to prevent loss of social benefits entitlements.

Another challenge I would like to mention is that most of us are trying to satisfy many daily life requirements. We are concerned of the impact of stress, but it is known that stress is one of the main risk factor for skeletal diseases and mental illnesses. For one reason or another we are facing more women than men having to stop working in early age relying on rehabilitation or disability benefits. The skeletal diseases and mental illnesses are the main reasons for the inactivity. Here we need to do better in occupational preventive measures while it is also very important that individuals with reduced work ability are given the opportunity to participate in the labour market and benefit from it.

Taking all this into account, the social security system need to be flexible and active rather than passive system, only paying benefits. It needs to be adapted to the new technical innovations and globalization so everybody, not only the typical workers, are covered.

I hope you enjoy the seminar.

Thank you for your attention.