

Parental leave needs an overhaul ^[1]

Reform of the Canadian system should make it more inclusive, equitable and integrated with other benefit programs

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EXCERPTS

In the 2019 federal election campaign, the Liberal party promised reforms to parental and maternity benefits. This was to be partly achieved through a guaranteed paid family leave program which would integrate two policies – the Canada Child Benefit (CCB) and maternity and parental benefits, which are administered through the employment insurance (EI) program. The Liberals called it a “an ambitious program” that would ensure parents not qualifying for paid leave through EI would “receive a guaranteed income during the first year of their child’s life.”

Of course, like many other policy ideas, these were sidelined by the pandemic. As people’s work lives, especially those of mothers, were upended, so too was the potential to qualify for parental benefits.

The federal government held consultations at the end of last year, with Minister of Employment Carla Qualtrough hearing from stakeholders on the best ways to reform Canada’s current system. We submitted a number of ideas based on our research. The most prominent were the need to clarify the explicit aims of parental benefits, and to adapt funding criteria to reflect and respond to the needs of a more diverse range of families.

To put this into context, before the pandemic, approximately 30 per cent of all Canadian mothers (and 60 per cent of low-income mothers) outside Quebec did not receive maternity and parental benefits. By comparison, almost 90 per cent did receive such benefits in Québec, which administers its own program (the Québec Parental Insurance Program or QPIP).

This is largely because of differences in qualifying criteria. In Quebec, a parent needs to make only \$2,000 in earnings the year before giving birth to qualify, compared to 600 insurable hours in the rest of Canada (ROC). Self-employed parents are automatically self-enrolled in Québec, whereas EI offers an opt-in version for the ROC. As well, there are different labour standards in other provinces that do not exist in Québec. For example, in Québec, an employee is not required to complete a specific period of continuous employment to qualify for unpaid job-protected maternity, paternity or parental leave.

Maternity and parental benefits are complex policy instruments that embody multiple and sometimes lofty aims. Their location in EI signals that they are employment policies for adults. But they are also care policies. Unlike those who use EI benefits during unemployment, parents are neither looking for work nor unoccupied when they are on parental leave. They are doing one of the most demanding jobs on the planet – caring for a newborn child.

These kinds of benefits are also meant to safeguard new parents from the financial repercussions of taking time off from paid work to take on care work. There are gender-equality objectives as well. Specifically, non-transferable leaves for fathers aim to facilitate gendered shifts in both unpaid and paid work.

The federal government’s overall aims for maternity and parental leaves are not entirely clear. There are, however, two recently stated goals. The first, according to the departmental plan for Employment and Social Development Canada, is to help parents with “financial support during times of need and employment transitions.” Put differently, EI maternity and parental benefits “provide financial assistance to parents who are away from work to care for a newborn or recently adopted child or children.” The newest policy, parental sharing benefits implemented in 2019 for fathers and second parents, has a second goal: “breaking down barriers to gender equality.”

In any future reform of the current policy, the federal government needs to clarify the explicit aims of maternity, paternity and parental benefits, as well as establish how to measure outcomes related to these aims. It also needs to change the language to recognize that parents are not “away from work to care.” Care work is work.

Region: Canada ^[3]

Tags: maternal and parental leave ^[4]
parental benefits ^[5]

Links

[1] <https://childcarecanada.org/documents/research-policy-practice/22/02/parental-leave-needs-overhaul> [2] <https://policyoptions.irpp.org/magazines/february-2022/parental-leave-needs-an-overhaul/> [3] <https://childcarecanada.org/taxonomy/term/7864> [4] <https://childcarecanada.org/category/tags/maternal-and-parental-leave> [5] <https://childcarecanada.org/taxonomy/term/9145>