

# Parental leaves and benefits <sup>[1]</sup>

From: Early childhood education and care in Canada 2021

**Author:** Beach, J., Friendly, M., Nguyen, N.T., Borges Nogueira, P., Taylor, M., Mohamed, S., Rothman, L. & Forer, B.

**Source:** Childcare Resource and Research Unit

**Format:** Report

**Publication Date:** 29 Apr 2023

## AVAILABILITY

Access online [PDF] <sup>[2]</sup>

Paid maternity leave for birth mothers was originally introduced in Canada in 1972. Paid parental leave benefits for either parent were added in 1989 and in 2001, the duration of the combined leave benefit was doubled for new parents. A number of other changes have been made since 2001. In this section, all leave provisions associated with birth or adoption of a child are referred to as “parental leave” unless otherwise specified.

Today Canada has two parental leave and benefit regimes: one specific to Quebec and the second for the remaining 12 provinces/territories and workers under the Canada Labour Code. Maternity and parental leave benefits and leave provisions for all provinces/territories except Quebec, which has had its own parental leave system since 2006, are divided between federal and provincial/territorial governments. In all provinces/territories with the exception of Quebec, benefits are paid by the federal government while provincial/territorial provisions for job-protected leave are established in each jurisdiction’s employment standards legislation.

### Benefits: Canada outside Quebec

Maternity and parental leave benefits in Canada outside Quebec are under the Employment Insurance (EI) system. Employment Insurance is a contributory program to which employees and employers both contribute. Parental leave benefits have been amended by the federal government a number of times since 2016.

Under EI, the federal benefit covers 15 weeks of maternity leave for eligible employees who are birth mothers.

As of January 1, 2017, the waiting period for EI claims was reduced from two weeks to one.

In February 2017, a change was made to allow maternity leave benefits to be collected as early as 12 weeks before the expected date of birth, up from eight.

Until December 3, 2017, there was one Canada-wide option for parental leave benefits: 35 weeks of payment was available to cover parental leave for either eligible parent including adoptive parents. This was amended by the federal government in December 2017 to offer two options for new parents. These remain the two main options for parental leave benefits in most of Canada despite subsequent changes made.

Two main parental leave benefit options:

- Standard parental benefit paid at 55% of wages (35 weeks of parental benefits for a total of 50 weeks total including 15 weeks of maternity benefits for birth mothers); and
- Extended parental benefit paid at 33% of wages (61 weeks of parental leave benefits for a total of 76 weeks including 15 weeks of maternity benefits for birth mothers). The Extended parental benefit is paid at a lower rate (33%) than the Standard benefit (55%), paying the same total benefit over a longer period of time.

In 2022, maternity benefits and the Standard parental benefits were paid at 55% of wages up to a ceiling of \$638 a week; the Extended parental benefit was paid at 33% of wages up to a ceiling of \$383 a week.

Between April 2018 and March 2019, more than 31,910 parents (16% of total claims) established a claim for the new Extended parental benefit. This figure rose to 37,770 (17.8% of total claims) between April 2019 and March 2020, and 38,770 (18.2% of total claims) between April 2020 and March 2021.

On March 17, 2019 an additional leave benefit was added. The Parental Sharing Benefit became available to non-birth (second) parents<sup>11</sup>; five additional weeks of benefits are now available under the Standard option if both parents share parental benefits (40 weeks total). An additional eight weeks of benefits are available under the Extended option when parents share parental leave under the Extended option (69 weeks total).

“The federal government also contributes to paid maternity and parental leave by providing benefits to eligible families under Employment Insurance (EI), while the provinces/territories determine the leave from work provisions. This applies across Canada outside Quebec, which has its own program covering both leave provisions and benefits, the Quebec Parental Insurance Plan (QPIP).”

The EI monitoring and assessment report (2020/2021) showed that 21.1% of standard parental benefit claimants and 25.4% of extended parental benefit claimants shared some weeks of parental benefits in the 2020 – 2021 fiscal year.

Maternity Benefits may begin as early as 12 weeks before the estimated date of birth. The maximum ceiling for maternity and parental leave benefits are indexed to increase annually.

Although the federal benefit provisions have changed, parents must still refer to the allotted periods outlined in the Employment Standards Act (or equivalent) of their province or territory of employment, which may be less. Leave provisions under the Canada Labour Code have been amended to be consistent with the federal EI benefit changes. (See the provincial/territorial tables in this section for further details about provinces'/territories' leave provisions.)

As of August 12, 2018, it became possible to receive EI maternity and parental leave benefits while continuing to work (Working While on Claim). A new parent may earn money while receiving EI benefits and may keep \$.50 of benefits for every dollar earned up to 90% of previous weekly earnings. Working While on Claim does not need a separate application; claimants already receiving maternity and/or parental benefits only need to declare their earnings online.

Government of Canada administrative data for fiscal year 2020 – 2021 show Employment Insurance parental benefit claims (for parents in all provinces/territories except Quebec) were paid to:

- a total of 213,100 parents, of whom 174,330 were paid Standard benefits and 38,770 Extended benefits; and
- of these, 50,100 were men and 163,000 were women.

Maternity and parental leave comprise two of the six kinds of EI Special Benefits (maternity, parental, sickness, family caregiver for a child, family caregiver for an adult, and compassionate care).

A total of \$1,324.7 million for maternity leave benefits \$3,177.8 million for parental leave benefits (a total of \$4,502.5 million) was paid out by the Employment Insurance program in fiscal year 2020 – 2021.

Self-employed Canadians can access Employment Insurance Special Benefits including maternity and parental leave by voluntarily registering with the Canada Employment Insurance Commission.

Eligibility for Special maternity and parental leave benefits requires:

- operating an independent business or working for a corporation but being unable to access EI benefits due to controlling more than 40% of the corporation's voting shares; and
- being either a Canadian citizen or a permanent resident of Canada.

An applicant for Special EI Benefits must wait 12 months from the date of confirmed registration before applying for the EI Special Benefits. To apply for Special EI Benefits in 2022, a minimum net income of \$8,092 in self-employed earnings in 2021 was required.

Please refer to the tables in this section, which shows further details of the federal EI leave benefits in 2022.

### **Leave provisions: Canada outside Quebec**

Provisions for maternity and parental leave outside Quebec are the responsibility of provinces/territories. Please refer to the tables in this section and provincial/territorial section for further details.

Benefits and leave: Quebec

The Quebec Parental Insurance Plan (QPIP) is also a contributory insurance program. It includes both benefit provisions and provisions for job-protected leave from work.

It includes two main options:

- Basic Plan totalling 55 weeks covers 18 weeks of maternity leave at 70% of wages, 32 weeks of parental leave (seven weeks at 70%, 25 weeks at 55%) and five weeks of paternity leave at 70%. In 2022, the Basic Plan paid a maximum of \$1,185/week for maternity leave, dropping to \$930.77/week for the parental leave portion.
- Special Plan totalling 43 weeks covers 15 weeks of maternity leave at 75% of wages, 25 weeks of parental leave at 75% of wages and three weeks of paternity leave at 75%. The Special Plan benefit pays a maximum of \$1,269/week for all leave portions in 2022.

The creation of specific paternity leave significantly increased the number of fathers claiming or intending to claim leave in Quebec since the introduction of the plan: from 27.8 % in 2005 to 85.6% in 2018 – 19. Self-employed new parents in Quebec are eligible for paid parental leave under the QPIP.

Self-employed workers are automatically covered in QPIP and are eligible for leave once they have stopped working or seen a reduction of at least 40% of usual income.

Other recent changes to QPIP were introduced under legislation introduced in 2019, Bill 51, An Act mainly to improve the flexibility of the parental insurance plan in order to promote familywork balance.

Quebec's significant changes between 2020 and 2022 include:

- new adoption benefits—an increase in the number of weeks;
- sharing of parental and adoption benefits—additional benefits with two parents sharing a minimum number of weeks of parental or

adoption benefits;

- benefit for multiple births or adoptions—each parent is entitled to additional weeks of parental or adoption benefits, adding five weeks at 70% of wages for the Basic Plan or three weeks at 75% benefits for the Special Plan;
- increased benefit for single parents—applies to either a single birth parent or a single adoptive parent, who is now entitled to five additional non-shareable parental benefit or adoption benefit weeks under the Basic or three additional weeks under the Special Plan.

[See PDF for tables]

...

**Related link:** Early childhood education and care in Canada 2021 [3]

**Region:** Canada [4]

---

**Source URL (modified on 4 Nov 2024):** <https://childcarecanada.org/documents/research-policy-practice/24/10/parental-leaves-and-benefits>

**Links**

[1] <https://childcarecanada.org/documents/research-policy-practice/24/10/parental-leaves-and-benefits> [2]

<https://childcarecanada.org/sites/default/files/ECEC-2021-REV-Parental-leaves-benefits.pdf> [3] <https://childcarecanada.org/publications/eccec-canada/23/04/early-childhood-education-and-care-canada-2021> [4] <https://childcarecanada.org/taxonomy/term/7864>