

40% get nothing for maternity leave [CA]^[1]

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EXCERPTS

Hilary Pada and Deepa Spaeth Filatow have been best friends since the two were top science undergraduates at the University of British Columbia more than a decade ago.

Three years ago, they both moved to Kelowna; Ms. Pada joined a dental practice, and her husband started work as an engineer. Ms. Filatow took a post in geoscience with the provincial government, while her husband was hired as the chef at a posh new restaurant. All were lured by the opportunity to advance their careers and start families in the sunny Okanagan city.

By lucky coincidence, the two women became pregnant at the same time and in January delivered healthy babies within 24 hours of each other. They even shared a semi-private hospital room.

But that is where the similarities end. As an employee of B.C.'s Ministry of Natural Resources, Ms. Filatow, 32, feels no financial pressure in taking a year away from work to be with her son, Nikhal. She receives 85% of her salary for the first 17 weeks of her maternity leave, and 75% for the remaining 35 weeks. She will even do some volunteer work for the Association of Professional Engineers and Geoscientists of British Columbia to keep up with developments in her field. And her benefits covered the semi-private hospital room.

Ms. Pada, on the other hand, just took out a line of credit to pay her bills. As a self-employed dentist, Ms. Pada, 31, is one of the 40% of Canadian women who receives no salary and no Employment Insurance benefits during her maternity leave. Facing a \$140,000 debt from student loans and quarterly tax bills for income earned last year, she will attempt to stretch her time at home with her newborn daughter, Tova, to six months - a long maternity leave for a young dentist building a practice.

Three years after the federal government announced parents could take a year away from work to care for a new baby, Canada finds itself with two-tier maternity leave. One group of workers, mostly employees of the federal government or big companies with family friendly policies, are encouraged to take the full year with generous salary top-ups, while for another, much larger group, not much has changed. For them, maternity leaves are brief and bring major financial consequences.

In other words, if you work for the government of British Columbia or Ontario, a big bank such as RBC Financial, a pharmaceutical company in Quebec or a unionized car manufacturer, your maternity leave will likely resemble what Ottawa had in mind when it created the program in 2001. Otherwise, you'll be struggling.

At the bottom end of the second group are the 15% of self-employed Canadians who are ineligible for maternity leave benefits through Employment Insurance regardless of whether they paid into the system for decades before striking out on their own.

Women make up the fastest growing numbers of the self-employed, whether it is a choice so children's doctor's appointments and hockey games can be scheduled into the workday without having to get a nod from the boss or because they work in informal sectors of the economy with no access to benefits and EI. They are lawyers, accountants, farmers, real estate agents, house cleaners, estheticians, documentary film producers, hair stylists, architects, translators, waitresses and, of course, entrepreneurs. Health care professions such as family doctors, psychologists and physiotherapists are also considered self-employed if they run their own practice.

For self-employed women in lower-earning positions, having a baby often means losing their business. Treena Cook, 33, a certified massage therapist in St. John's, had to shut down the practice she started in a doctor's clinic just before giving birth to her first son, John Stanley, two years ago. With no earnings, she knew she could not afford the rent.

Three months later, bleary-eyed and cranky, Ms. Cook started a new practice with two other women so they could start paying into EI. When Sebastien was born last year, she was able to take eight months off because of the \$900-a-month in benefits she received from EI.

In 2001, the federal government lowered the number of hours an employee had to work in a year to qualify for EI from 700 to 600, after Kelly Lesiuk, a part-time nurse in Winnipeg, sued when she fell 33 hours short of qualifying for maternity leave benefits, which amount to a maximum of 55% of a yearly salary of \$40,000.

"Kelly was a part-time worker and full-time mother," says Byron Williams, the Winnipeg lawyer who argued Ms. Lesiuk's case.

"She was a contract worker on call. Some days she could get child care and some days she couldn't. I still don't think EI has come to grips with that reality."

One-year maternity leave is often seen as a social program intended to enable all new parents to be at home with their children. In reality, maternity leave is funded by employers and employees and is available only to Canadians who fit what has become an outdated definition of a "worker."

Just as the federal government has dug in its heels when asked to give tax breaks to help families when one parent chooses to stay at home full-time, it has been slow to adapt EI to the changing needs of Canadians struggling to manage work and family with arrangements such as working as consultants or on short-term contracts to free up their summers.

Imagine Tanya Sauve's surprise, for example, when she found out after her third son, Gage, was born two years ago that her maternity leave benefits amounted to less than \$100 every two weeks.

She was looking forward to making use of the much-touted one-year maternity leave program. But because most of her income comes from cash tips -- which she declares on her tax return -- her base salary so low, her EI benefits were paltry. She returned to work five months after giving birth.

The lapses in EI have fuelled a debate in Ottawa about whether maternity leave should continue to exist as an EI benefit, or if it should become a social program funded with its own budget -- the more expensive option. A recent court decision in Quebec that says maternity leave should be a provincial issue is forcing Ottawa to initiate talks with Quebec about transferring EI funds to the province.

By adding millions more of its own funds, Quebec would create a new program that would insure self-employed workers and grant more time off to fathers. Dalton McGuinty, Ontario's Premier, has indicated he is following those discussions and perhaps is interested in tinkering with maternity leave in his province.

But leaving it up to government to figure out how Canadians are structuring their work schedules could leave working parents with the same lapses in coverage.

In a survey she prepared for the federal government, Donna Lero, co-founder of the University of Guelph's Centre for Families, Work and Well-Being, found the majority of self-employed women -- 82% of professionals and 96% of those in lower-earning fields -- want access to maternity and sick leave benefits. But true to their independent nature, the women were skeptical of Ottawa's unwieldy EI program and wanted any payments toward maternity leave to be voluntary, even if they ultimately had to pay more for coverage.

Ms. Pada, for example, does not want anyone feeling sorry for her because she cannot collect EI. As a dentist, her earnings are substantial. The problem is that at 31 she has not been practising long enough to build up savings to accommodate her time off. But there are simple things the government could do, at no cost to taxpayers, to make her life easier, such as allowing her to delay payment on her tax bills and student loans until she resumes working.

"I'm paying taxes on my earnings from last year this year, when I'm not making anything. It would make such a difference to have a waiting period," she says.

"The problem in my field is that you do all this training that costs a lot, and by the time you are finished, it's the point in your life when you want to start a family."

Already, some professional associations have created their own benefit programs. Medical associations in British Columbia, Manitoba, Ontario, Quebec and Nova Scotia negotiated some benefits with their provincial ministries for family physicians; Alberta will launch a program next month. Usually the benefits enable physicians to take a four-month paid leave. The introduction of the program in Ontario in 2000 was credited with sparking a mini-baby boom among doctors -- so many women gave birth that the province had to double the program's budget after the first year.

Next year, self-employed lawyers in Quebec, who make up a quarter of the province's legal workforce, will become the first in the country to get some maternity benefits. The lawyers' professional organization is increasing its annual dues by \$30 to fund the program, although the payments -- \$1,200 a month for four months -- are really a symbolic move to encourage the government to go forward with its program.

Last year Ms. Jennings, the environmental consultant in Whitehorse, attempted to structure two of her contracts so she could be considered an employee and have benefit deductions taken from her pay. But when she attempted to collect maternity benefits after her son Reese was born, she was informed by Human Resources Development Canada (HRDC), the federal department that regulates the program, that the contracts had not provided her with the 600 hours needed to qualify for EI.

"Why isn't there a way for me to call HRDC every time I get a contract, and say, 'OK, I was awarded two \$5,000 contracts. How much do I need to pay you to make myself eligible for maternity leave?' " she says.

- reprinted from the National Post

Tags: maternity and parental leave ^[2]

mother's labour force participation ^[3]

[1] <https://childcarecanada.org/documents/child-care-news/04/04/40-get-nothing-maternity-leave-ca> [2] <https://childcarecanada.org/category/tags/maternity-and-parental-leave> [3] <https://childcarecanada.org/taxonomy/term/8142>