

Living large on maternity leave [CA]^[1]

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Source: National Post

Format: Article

Publication Date: 13 Mar 2004

AVAILABILITY

See text below.

EXCERPTS

When Riri Shen was on maternity leave with her third child, she and her husband embarked on a massive renovation project, spending months gutting a century-old rooming house and transforming it into a stunning row unit in Ottawa's Sandy Hill neighbourhood.

They managed the labour-intensive, costly project, knowing that Shen had a year off from her job as a Department of Justice lawyer, during which she would be collecting 93% of her salary. The 37-year-old even extended her leave for another six unpaid months in order to complete the renovation. Last fall, she returned to her same job, working a compressed work week that allows her to add extra time to each working day so she can take every other Friday off.

Similarly, when Karin Jordan went on maternity leave last fall from her job handling communications for the national office of the Canadian Union of Public Employees, she continued to collect 95% of her \$70,000 salary for the year, which meant she didn't have to make any financial sacrifices. In fact, she moved into a new house and bought a car.

These are the idealized pictures that bolster the federal government's policy of providing paid maternity and parental benefits for a full year: happy new parents enjoying quality bonding time at home with their new baby without having to fret about the crushing pressures of reduced finances or job security.

But this maternity-leave paradise is not the reality for most Canadians. Three years into the widely hailed social policy, Canada has a two-tier maternity-leave system. One class of workers, mostly in federal government jobs, enjoys generous financial top-ups that allow them to collect much of their salary while on leave, have few worries about job security or career ramifications and have access to as much as five years' additional unpaid leave without losing their jobs; while another, much larger group of workers, struggles to make the best of an improved, yet imperfect policy that provides minimal financial compensation under Employment Insurance.

Only 20% of all employers, private and public, provide any salary top-up, let alone come near the generous financial compensation provided by the federal government and a handful of other employers. In fact, though the amount of time most new mothers take off work has increased significantly since the policy was introduced, the number of employers who provide any top-up payments has actually decreased.

The federal government's prototypical maternity leave, where workers are rich in both time and money, remains elusive for most Canadians, who are either rich in time off without career penalty (such as teachers and nurses), rich in financial compensation (such as those who work for the big pharmaceutical firms) or, as is often the case, poor in both.

While Ottawa regularly touts the program's success in boosting the time most women take off work, it gives scant consideration to the 40% of all women who give birth in Canada who still do not claim any benefit, because they are self-employed (including family doctors, real estate agents and entrepreneurs), work fewer than the 600 hours a year required to qualify, are not employed or choose not to apply. That percentage has remained unchanged in the three years since the policy's introduction.

Colleen Johnston, was able to take a full year off as a Newfoundland elementary school teacher but received nothing on top of EI payments, found she and her teacher husband had to scrimp in order to make ends meet when their household income was reduced by more than a quarter, just as their expenses increased.

"You know before you have a baby, you hear about this one-year mat leave and you think it's a great thing because you're off for a year and you're paid," says Johnston, who lives in St. John's, Nfld. "But it's not like that at all. When you're in it, you soon realize that it's all over the place."

Three years into the program, the federal government and its research agency, Statistics Canada, have failed to provide much data about a program it continually holds up as a paragon of success.

Sheila Fraser, the Auditor-General, concluded as much in a report last month admonishing Human Resources Development Canada, the branch of government that administers maternity-leave regulations, for failing to make Parliament more fully aware of its numerous studies of the massive, complicated EI program. "While the information is factually correct, in many cases the Commission did not report all

the key findings and emphasized the positive findings," she wrote in a report overshadowed that day by her blistering report on government sponsorships.

Because of the lack of government research, the National Post asked Statistics Canada to provide a range of data such as maternity- and parental-leave usage by gender, job category, income level and province. In analyzing the data, we found that rather than being a standard-issue government policy, maternity leave varies for Canadians, depending on where they work, how much money they make and even where in Canada they live.

Those who live in Quebec, Ontario and Atlantic Canada are the biggest users of maternity-leave benefits, while those in Alberta, Saskatchewan and Manitoba are least likely to use the program. Although there is no official explanation for these regional variances, researcher Linda Duxbury, from the Sprott School of Business at Ottawa's Carleton University, says the trends are in line with findings from her work-life research, in which Quebec consistently shows a strong use of social programs and other evidence of a culture that favours family over work. A similar dynamic is at work in Atlantic Canada, where despite often long hours on the job, the values of family and enjoying life are paramount, she says. In Ontario, usually the most work-focused province, the high usage is a function of the province's high employment combined with the preponderance of federal government jobs.

Among occupational categories, those employed in sales and service, administrative jobs, educational and social work professions are the highest users of maternity-leave benefits. Those in management jobs use maternity and parental benefits even less than those in male-dominated fields of processing and manufacturing.

Differences among income levels are more difficult to measure, because the manner in which data are collected (according to the maximum benefit paid out under EI) lumps together those who make \$44,000 a year with those who make more than \$100,000. But experts such as Donna Lero, a University of Guelph professor who has studied this topic, say the anecdotal evidence from working women suggests those in mid-income levels often use maternity leave the most, while women earning the lowest salaries are unable to afford much time off at reduced pay, and those pulling in the largest salaries often cannot afford time off work without career consequences.

Much of corporate Canada still operates under the same economic and workplace culture attitudes in place long before Ottawa instituted this program in January, 2001.

"The business sector is under such pressure to achieve profits, constantly, every quarter," says Alison Konrad, a professor at the Ivey Business School at the University of Western Ontario. "They feel they can only provide work-family benefits if there is a clear link to bottom-line business goals."

In the private sector, top-ups range from almost nothing -- even family-friendly IKEA gives its workers a one-week salary supplement -- to substantially more. Pfizer Canada, the Quebec-based pharmaceutical firm, tops up new mothers' salaries to 100% for 4 1/2 months while they are at home, and, when they return, offers chore-saving perks such as on-site banking, dry cleaning and medical service.

In the public sector, benefits provided to federal employees are by far the best: a 93% top-up for the entire year no matter how high the salary, full pay for the two-week waiting period employees must endure until EI payments kick in, plus the option of taking a five-year unpaid leave to raise children at any point during their career.

In some professions, such as law, the superiority of federal benefits and workplace culture is increasingly enticing women to jobs that are often lower-paid and sometimes even less satisfying than those in the private sector.

"The lifestyle is great. But in terms of job stimulation and challenge, I think I'd rather be somewhere else," admits a lawyer at one of the government's cultural agencies, who makes \$80,000 a year and does not want her name used. Her office is made up almost entirely of women who used to work gruelling hours in the private sector, who made the switch because of the federal government's family-friendly work environment.

The flip side to this, however, is that federal lawyers and managers are paid considerably less than their counterparts at the country's top law firms.

The federal government experience stands apart, not just from the private sector, but even among public sector workers. Although provincial employees in Ontario and Quebec do not lag far behind their federal counterparts in terms of financial compensation, civil servants elsewhere in Canada usually make do with EI payments.

Even Canada's most powerful union has been unable to negotiate a maternity package that comes close to the federal government's gold standard. Canada's big three automakers each offer a 75% salary top-up for 16 weeks and 65% for the remaining 35 weeks of parental leave.

The presence of women at the bargaining table can sometimes make the difference between great maternity leave benefits and great coverage for false teeth. That has been the case with highly skilled and predominantly female health care workers, who have won generous benefits. Workers at St. Joseph's Hospital in London, Ont., for example, receive 84% of their salary for 50 weeks.

But a large female share in a company's workforce does not guarantee generous top-ups: Air Canada and Casino Windsor provide nothing extra.

It is little wonder, with such a range in how employees are compensated, that there is a call for maternity leave to be a separate social program instead of an EI benefit. This idea has philosophical and financial implications: EI essentially compensates workers for interruptions in their labour, using funds provided by employers and employees, while social programs apply a standard approach to every

Canadian.

The continuing debate may ultimately be resolved by a recent court decision in Quebec, which could force Ottawa to revamp the way maternity leave is delivered across the country. In January, a Quebec court ruled Ottawa overstepped its jurisdiction by not allowing the province to design its own parental-leave program. Quebec wants to institute a 15-month leave, with one month reserved for fathers, which would pay all workers 75% of their salary earned during the year before the child's birth, making self-employed and part-time workers, students and even farmers, eligible.

PARENTAL LEAVE: EMPLOYMENT INSURANCE CLAIMS BY PROVINCE FOR NOVEMBER, 2003:

- Newfoundland: 1,560
- P.E.I.: 580
- Nova Scotia: 3,180
- New Brunswick: 2,700
- Quebec: 27,530
- Ontario: 49,720
- Manitoba: 4,400
- Saskatchewan: 3,630
- Alberta: 13,340
- British Columbia: 14,830
- Yukon: 110
- N.W.T.: 210
- Nunavut: 110

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