

*Looking beyond the surface:*

*An in-depth review of* **parental benefits**

An Atlantic Canada project  
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In January 2001, Human Resources Development Canada (HRDC) increased the maternity and parental benefits pay-out period to 50 weeks for eligible parents.

This global policy has two key, positive elements:

- Added flexibility for women to be at home for the first year of their child's life.
- A division of the benefits that encourage men to be more involved in parenting in the first year of their child's life.

However, knowing that not every mother is eligible for benefits under the *Employment Insurance Act*, Women's Network PEI began research and consultation with Atlantic Canadian parents. We wanted to examine whether the maternity and parental benefits policy currently employed by HRDC is equitable for all women.

Women's Network PEI has conducted its research with an awareness of :

- The current social context in Canada.
- Stated objectives of the Canadian government in various areas connected to family policy.

This is an opportune time to begin looking at how ensuring equity in relation to maternity and parental benefits can further a number of identified national policy objectives.

Those policy objectives include:

- Women's Equality
- Healthy Child Development
- The Elimination of Child Poverty
- Ensuring a Strong Economy and Workforce
- Minimizing the Negative Effect of the Aging Population
- Ensuring Women's Health

During the first phase of the project, Women's Network PEI did two separate, yet connected, pieces of original research:

- A review of the federal parental benefits legislation and related documentation by a researcher who examined the current legislation, conducted a literature review, analyzed relevant statistics, and provided a social context.
- An Atlantic consultation where each province hosted a number of focus groups to get representative opinion including a rural/urban mix; mothers and mothers-to-be; immigrants, Aboriginal women, Francophones, and Anglophones; and employees and employers.

The intent of the December 31, 2000 enhancements to maternity and parental benefits under the *Employment Insurance Act* was to increase access to benefits. That would increase support to children and families and improve fairness. However, our research shows that the policy amendments are positive only for a portion of the population.

To begin, men are statistically more likely to be eligible for benefits under the *EI Act*. The women who are most likely to be eligible for, and able to take full advantage of, the benefits are those women working full time for the federal government or other employers generous with regard to top-ups to EI benefits.

Statistics show that the most vulnerable women in Canada and those working in non-standard work arrangements are those least likely to be eligible for the benefits. This accounts for a large percentage of Canadian women.

*While almost eighty percent of women between the ages of 25 and 44 are in paid workforce, only 49% of women who gave birth in 1998 received maternity benefits. Parental claims by women were even lower at 46% and even lower for younger women and claimants with lower earnings.* [Canadian Labour Congress]

## So who are the women excluded from receiving maternity and parental benefits under the *EI Act*?

**Women who do temporary, contract or seasonal work and women who work part-time are less likely to be eligible for maternity and parental benefits under the *EI Act* than women who work full-time and **self-employed women** who, with the exception of self-employed fishers, are simply not eligible at all. This accounts for 41% of all Canadian women who work.**

*In 1999, 13 % of employed women were self-employed.* [Statistics Canada (2000) pg. 104]

*In 1999, one in five female part-time employees said they worked part-time because of personal or family responsibilities: 16% said they did not work full-time because they were caring for children, while 5% reported other family or personal responsibilities. In sharp contrast, only 2% of male part-time workers cited these reasons.* [Statistics Canada (2000), pg. 103-4]

*Among those who are employed, women were more likely than men to have a non-standard work arrangement in 1999: 41% versus 29%.* [Statistics Canada (2000), pg. 103]

*In 1997, 56% of all families headed by lone-parent mothers had low incomes. [Statistics Canada (2000), pg. 139, 259]*

*12% of female immigrants and 19% of recent female immigrants, aged 25-44, were unable to find employment in 1996, compared with just 9% of Canadian-born women aged 25-44. [Statistics Canada (2000), pg. 199]*



**The most vulnerable and marginalised women** are the least likely to be eligible for benefits under the *Act*.

These women include:

- teenaged new mothers
- women with little education
- low income women
- single mothers
- immigrant women
- visible minority women
- Aboriginal women
- women with disabilities

**Women in prime child bearing years** are less likely than older women to be eligible for benefits under the *Act*.

Maternity and parental benefits under the EI Act do not reflect the realities of the role of mothers within Canadian families and, as a result, **mothers are less likely** than others to qualify for EI benefits and therefore for maternity and parental benefits.

Although statistics show that mothers are far more likely to take a leave from work to care for a new baby, and in general to take on the role of primary care giver to children, **men are more likely than women** to be eligible for parental leave.

**Women in Atlantic Canada** are less likely than women in other parts of Canada to be eligible for benefits under the Act.

The **low wage replacement** (55% of average weekly income to a maximum of \$413) means that it is difficult to take advantage of the full year for many women and families.

*Seventy-eight percent of first-time new mothers are eligible for benefits; 58 percent of new mothers with one other child are eligible; 43 percent of new mothers with two other children are eligible; only 11 percent of new mothers with three or more other children are eligible.” [Phipps (2000), pg. 421]*

*In 1999, 55% of all women aged 15 and over had jobs, compared to 67% of men. [Statistics Canada (2000), pg. 99]*

*In 1999, 15.5% of female labour force participants in NF were unemployed, while the figure was 13.9% in PEI, 9.4% in NB and 8.8% in NS. In contrast, less than 8% of female labour force participants in Ontario and each of the Western provinces were unemployed. [Statistics Canada (2000), pg. 109]*

*In 1997, women working full time, full year had average earnings of just under \$31,000, or 73% what men employed full time, full year made that year. In terms of actual dollar earnings, women had, on average, \$11, 500 less in employment earnings in 1997 than did men. [Statistics Canada (2000), pg. 140-1]*

## focus groups with atlantic canadians

Twenty-one focus groups were held across Atlantic Canada with 155 participants. The focus group participants were made up of 152 (98%) women and three (2%) men from both rural (49%) and urban (50%) communities. The majority of participants (81%) were in a marriage or partnership and worked full-time (40%). 15% worked part-time, 6% had seasonal employment, 20% were self-employed, 7% were contract workers and 9% were homemakers or unemployed.

### Seven Key Messages emerged from the focus group responses

*[As seasonal workers], we don't have long term job security - if they call and we don't go they'll just get somebody else. And then when your benefits run out you have no money. So really, even if you have a new baby you have to go back in or you won't have any money down the road. It's not like we have other options.*

*There is absolutely no way in the world you can get 600 hours. I worked every minute I could last year and towards the end someone else stayed home and let me get their hours but I still only had a little over 500. There were days I worked 17 and 18 hours and I was pregnant at the time. Sometimes you didn't have a day off for 2 weeks but you did it just to try to qualify.*

The extension of maternity and parental benefits to 50 weeks is a positive step for families in Atlantic Canada. However, **many eligible parents cannot make full use of this valuable resource**, due to financial constraints or various pressures to return to work, and find it extremely difficult, if not impossible, to spend a full 50 weeks at home with their new babies.

There are many parents in Atlantic Canada who are **either not eligible** for these important benefits or who **find it particularly difficult to take advantage** of the opportunity to stay at home with their new babies for 50 weeks. Women who are particularly disadvantaged with regard to maternity and parental leave include self-employed women, women who work on contract, seasonal workers, low income women, students, those whose children have special needs and those who adopt children or have children with surrogate mothers.

Access to adequately paid maternity and parental leave **plays a big part in decision-making** about whether Atlantic Canadians will have any children, how many children they will have, and when they will have children.

Access to adequately paid maternity and parental leave has **impacts on the health of women, children and families.**

Access to adequately paid maternity and parental leave **contributes to women's equality** in the workplace and in the home.

Parents need **more and better information** about the benefits that they are entitled to.

There are **inequities** in the EI system which denies much needed support to many Atlantic Canadian children and families.

*I did think of having another child but after weighing the pros and cons decided against it. Although in my situation, there were many other factors to consider, I have to say that having to live on just a little more than half of my regular income played a very big part in my decision.*

*He was almost seven months and I had weaned him because I was too stressed out. How am I going to breastfeed and go to work? So I just stopped completely.*

*My husband took a month off when the baby was three weeks old so he was there from three to seven weeks. That was an immense help. I was breast feeding so I couldn't sleep through the night . ...At first he wasn't comfortable with babies but in that four weeks, he bonded with her so it was just an opportunity with the year off. ...Still today, she's "daddy's little girl" and he'll still change diapers and let me sleep in and that initial period where he did a lot of the caring and the bonding, he's still much more hands-on. It made him become more comfortable with her.*

*I had to do a lot of research around these benefits also because the information I was receiving was just so scattered and inconsistent.*

*It's certainly better than what it was but when you look at the number of people who are excluded from any benefits at all that's wrong. Don't their kids deserve a head start too?*



Since such inequity exists in the current method of providing maternity and parental benefits to families with new children, we recommend the exploration of a new *universally accessible* system for maternity and parental benefits which adequately addresses the financial and other needs of families.

To effectively meet the needs of women, children and families in Atlantic Canada, this system must recognize the following guiding principles:

- Raising children is a critical and valuable contribution to Canadian society.
- The Canadian government has a role to play in eliminating poverty of women, children, and families and ensuring that their basic needs are met.
- Policies around maternity and parental leave must recognize the traditional role that women have played, and continue to play, in raising children while encouraging fathers to take on a more active role in parenting.
- Policies around maternity and parental leave must take into consideration the disadvantage that vulnerable groups of women face - including single mothers, low income women, immigrant women, Aboriginal women, women with disabilities, visible minority women and women with low education.
- Women must not be disadvantaged in the workplace and in society by the decision to have a child or by their intrinsic role in child bearing.
- Access to maternity and parental benefits must not discourage families from having children.
- Every newborn and newly adopted child has an equal right to the stable presence of a parent or other primary care giver in the early stages of life or transition to a new family.
- Policies around maternity and parental benefits must focus on healthy child development as well as on the health of mothers and other care givers.
- Access to maternity and parental leave is not an issue connected to paid work; but to supporting families.
- All parents must have access to easy-to-understand information about benefits and supports for parents and families.

## next steps

At this point in our process, we have gathered data from academic and statistical sources for the review and we have heard the experiences of some parents across Atlantic Canada.

As our process moves forward we will build on this information by:

- exploring options that would inform the public policy process regarding improvements to the parental benefits legislation,
- further identifying the connection between women's experiences with parental benefits and the inequity of the legislation, and
- researching the effects that national trends of women in the workplace, especially non-standard work arrangements and the "contingent" workforce is having on women's economic equality and autonomy.

During the next phase of this project, we will continue to work with our Atlantic partners and create new partnerships with equality-seeking women's organizations, Provincial/Federal/Territorial working groups on women's access to employment and benefits, HRDC, Health Canada and the Justice Department, professional associations and other women entrepreneurs associations, and social policy research institutes.



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This executive summary, along with the full report, can be downloaded from the project website at [www.wnpei.org/parentalbenefits](http://www.wnpei.org/parentalbenefits)