



Roundtable on maternity/parental leave and alignment with child care: Report and follow up August 2018

Background

A one-day roundtable was held on April 23 2018 in Ottawa as part of a research project by the Childcare Resource and Research Unit and the Canadian Union of Postal Workers on the alignment between maternity /parental leave and child care. Sponsored by Child Care Now (formerly the Child Care Advocacy Association of Canada), the Childcare Resource and Research Unit, Canadian Union of Postal Workers, the Canadian Labour Congress and the Canadian Centre for Policy Alternatives, the event was attended by more than 50 researchers, government officials, advocates, unions, service providers and representatives of civil society organizations.

The roundtable was intended to inform and strengthen policy and public debate on parental leave and, in particular, its alignment with child care. It considered a broad range of key issues affecting parental leave such as eligibility, benefit levels, duration and flexibility, as well as focusing on the alignment between parental leave and child care.

A draft background paper developed as a key part of the project was circulated to inform the discussion. The paper includes a review of relevant literature and an environmental scan of the state of maternity and parental leave in Canada. It will be finalized based on information drawn from the roundtable and feedback

provided by roundtable participants. The final paper will be released by the Childcare Resource and Research Unit.

The roundtable's agenda included a number of panel presentations followed by facilitated discussion in smaller groups. The presentations included:

> **What we know about Canadian parental leave and child care** (Martha Friendly, Childcare Resource and Research Unit)

> **An overview of Employment Insurance (EI) maternity/parental benefits** (Rutha Astravas, Employment and Social Development Canada, EI Policy)

> **Canada's two parental leave regimes: Canada/provinces/territories (EI) and Quebec (QPIP)** (Andrea Doucet, Lindsey MacKay and Sophie Mathieu, Brock University)

> **An overview of federal early learning and child care initiatives** (Christian Paradis, Employment and Social Development Canada, Family and Care Policy)

> **Here's where we stand on parental leave** (Labour 's view - Angella McEwan, Canadian Labour Congress; Alignment with child care - Morna Ballantyne, Child Care Now; Discussant - Laurell Ritchie, Co-chair, EI Working Group - Good Jobs for All Coalition)

> **Points of view** (Women's equality and parental leave - Kathleen Lahey - Queen's University; Poverty/income inequality and parental leave - Anita Khanna, Campaign 2000; Discussant - Jane Stinson, Canadian Research Institute for the Advancement of Women)

> **Government of Canada's view** (Adam Vaughan, Member of Parliament, Trinity-Spadina (Toronto) and Parliamentary Secretary to the Honourable Jean-Yves Duclos, Minister of Families and Children, Employment and Social Development Canada)

Discussion in facilitated small groups

Four topics, which were addressed in the presentations, were used to structure the small group discussions: eligibility, benefit levels, duration of leave and flexibility, and alignment with child care. A number of broad questions were used by the group facilitators to help shape the discussions.

> **Alignment with child care: What is required to better ensure that leave and child care are better aligned?** How do other key issues affecting parental leave intersect with child care? What are the considerations? (for example, high quality of care for infants). Is there an "ideal" intersection between duration of leave and age for child care?

> **Eligibility: Who should be eligible?** (All working parents? Students? All parents?) If not all, what should the criteria be? Time worked? \$ earned?)

> **Benefit levels: How to determine the appropriate wage replacement during parental leave?** Should it more fully reflect actual wage replacement? Should there be a maximum allowable income or merely wage replacement (or a percent of full wage replacement)? Should it be phased?

> **Duration/flexibility: What is the ideal duration of the basic leave period?** How should leave be broken down - that is, should there be maternity (birth mother) leave; paternity (fathers/second parents); shared parental? What are the best ways to arrange flexibility? - as it is now, with alternative specified periods, or à la Sweden - a maximum number of days? What about other kinds of flexibility, such as the possibility of carrying leave allotment over a much longer period of time combined with part-time work?

Summary of small group discussions

Eligibility

That so many new parents are not eligible for maternity/parental leave under the EI regime was identified as a major issue--one of the main issues with respect to EI parental benefits. Several questions were raised by participants: a) Who are the 35% of new parents who are not eligible? b) Is eligibility a major issue in paid parental leave in other countries, as it is in Canada?

Specific reference was made to poor eligibility for women in precarious work and the need to accommodate multiple births and children with disabilities/special needs. The question of whether parents should be able to share leave with family members other than the parents (in the case of single parents, for example) arose. As well, parental leave for self-employed parents was identified as a concern. It was identified that only a small fraction of self-employed parents had taken leave under the EI regime.

Discussants linked uneven and inequitable eligibility to the EI regime. The comments were made that the EI program is a regressive way to fund parental benefits and that "having a baby is different from being unemployed".

Alternatives to EI were discussed, including the idea that the federal government should fund

the first part of leave to ensure that new parents who don't qualify at least have the initial (maternity) leave paid. Alternatively, the idea that the federal government could pay for those new parents who were not eligible for EI benefits was suggested.

The comment was made, and discussed, that parental leave policy should "focus on the child, not the worker by treating it as social policy, not social insurance". An observation was made that "employer resistance [to new parents taking leave] is a real issue, and better government funding might mitigate this".

It was suggested that one approach to eligibility problems would be disconnecting it from the (present) labour force approach, which has too many exceptions, and moving to a universal paid leave framework. However, it was discussed that research on what this would mean is needed.

Participants also expressed fear that moving parental leave benefits out of EI could mean losing it and raised many challenges, such as: Who would pay? Where would employers fit? There was discussion about whether parental leave benefits could still be federal if it were not tied to EI. Some participants thought it still a good idea to consider, even if it were to be only provincial. There was discussion about the nature of parental benefits outside EI - the ideas of a tax break or a new benefit, as well as affordable child care were raised. It was noted that the Quebec (QPIP) is also funded through a contributory fund.

Other views discussed related to eligibility included whether maternity leave should continue to be considered to be "pregnancy" leave, that is, tied to biological mothers; another option proposed was to tie maternity leave to the mother's health.

Benefit level

In many instances, discussion about benefit levels and eligibility overlapped, in particular

when participants linked concerns with both eligibility and benefit levels to the EI regime. There was good agreement that 55% of wages (up to a ceiling) is too low; it was stated that "33% is even lower". There was agreement that the low benefit levels have a gender component, with men less likely to take leave because they tend to earn more than women,

The low benefit levels were also discussed as linked to class and income inequality, with low income workers (single parents, precarious workers, immigrants, Indigenous parents) unable to take parental leave even if they are eligible, as they may be unable to afford to live on the low benefit.

The issue of the inequity of top-ups (SUBs) was raised a number of times. The suggestion that higher benefits are needed for all was made, and that raising insurable earnings was a good way to do this (as "employees need to see themselves in the program"). A participant noted that "relying on top-ups is a form of privatization", suggesting "making it universal by moving it out of EI. Make it a national leave policy, not linked to collective agreements or top-ups".

It was also agreed that the low income supplement needs to be increased.

One solution proposed was to use Quebec's approach to benefit levels: "don't reinvent the wheel - use Quebec's model".

Duration and flexibility

The general view was that the issues of duration and flexibility are linked (although not the same) and need an overarching policy solution.

The new 18 month federal benefit was discussed under this topic. As one participant observed, there has not been much take up but it is "still early". Specific unresolved challenges of the 18 month leave were identified:

- For some jobs - such as jobs in the school system - 18 months does not work timing-wise;
- For those who can't afford leave (low/modest income, single parents and precarious workers), an 18 month leave at an even lower rate of payment is not an option;
- Current top-ups are not aligned with the 18 month option. It was noted, however, that when parental benefits were extended to a year, there were issues related to top-ups at that time too;
- Federal and provincial governments lack alignment on the extension to 18 months;
- There is a need to consider the effects on women of staying out of the workforce for 18 months.

There were multiple points of view about whether there is an "optimal" length of parental leave, as there are multiple considerations, such as maternal and child health as well as personal preferences. Thus, there was considerable discussion about improving access and flexibility. The question: How much flexibility is desirable/possible? was discussed but there were no conclusions. Here the Swedish parental leave system was referenced, as was Quebec's.

Alignment with child care

It was stated that--for parents--the biggest help would be affordable child care (could help the most people). It was emphasized that child care should not be seen as instead of parental leave but in addition—that most families want to use both.

In discussion of the issue of alignment of parental leave and child care, it was noted that they cannot be aligned without a publicly managed child care system if they are to be both aligned and flexible, as the circumstances are not the same for all. Thus, alignment needs to have multiple entry points. For example, the 18 month extension is aligned with child care age groupings in Ontario's child care systems but not other provinces, where age groupings are different.

The topic of learning from Quebec, as Quebec has improved both parental leave and child care arose a number of times. For example, it was asked if the connection between QPIP and child care been studied? There was also discussion about whether there are fewer infant rooms in Quebec than before. One participant stated that that when Quebec leave became better paid, infant rooms closed - so now child care for under 12 months (and, thus, for 12 - 18 months), is hard to find. A concern about whether the 18 month leave will mean that there will be even less infant care was discussed (as infant rooms may become less financially viable for operators).

Similarly, the trend toward lowering the age in "education" (i.e. kindergarten that doesn't cover full work day—NS and ON were mentioned) has had the effect of closing child care programs. It was expressed that there seems to be an implicit assumption that children younger than 2.5 years will be/should be cared for by parent (mother) at home.

It was expressed that it is hard to align parental leave and child care in a market, as planning is limited—need a publicly managed child care system, especially if parental leave is to be flexible.

Many child care-focused issues arose:

- > How do we move to a publicly managed system?
- > How much influence should the federal government have?
- > Does the child have a right to quality child care?
- > Should leaving child care to the private sector (for-profit and non-profit) continue?

Overall, if parental leave were to become more universal, a connection to child care and ways to align it better would be needed. Even if parental leave were universal, it would be necessary to take into account parents who

return to work before the end of leave, so would need a variety of child care options.

Finally, the point was made that there are many benefits from quality child care, so the focus on keeping the child care and her/his right to quality child care at the center of the considerations of leave and child care was discussed, not only the needs of parents as workers.

Acknowledgements and next steps

In summary, there was considerable agreement that Canada's parental leave regime leaves many gaps for families and needs comprehensive re-consideration. Related to this was a consensus that paid parent leave and child care cannot be examined in isolation of one another; this was emphasized by several of the presenters, in the background paper and through participant discussion in the small groups.

Overall, there appeared to be strong support for continuing the exploration and debate about the alignment of parental leave and child care. Some of the concrete ideas generated included: formation of a Canadian network on parental leave; work with (or strengthening linkages to) existing networks on parental leave, such as the international network on parental leave; development of further Canadian

research, especially on (but not restricted to) the topic of the alignment of parental leave and child care; further examination of Canadian data on parental leave to provide more detailed information, including data on the new 18 month benefit and the Shared Benefit.

The organizations that sponsored the roundtable and other participants will collaborate to follow up on the issues that emerged from the roundtable and to continue to provide information and opportunities for input and collaboration for the range of interested parties.

The roundtable could not have been successful without the valuable information provided by presenters and panelists, including several who stepped in on short notice (very much appreciated, Sophie Mathieu, Christian Paradis and MP Adam Vaughan), the administration by the sponsoring groups, and the contributions of all those who participated.

Martha Friendly
Childcare Resource and Research Unit
On behalf of the organizers of the roundtable