

In December 2000, the Province of PEI amended the *Employment Standards Act* to increase the number of weeks new parents could take for maternity and parental leave. In January 2001, Human Resources and Skills Development Canada increased the combined maternity and parental benefits pay-out period to 50 weeks for eligible parents. Through these changes, both levels of government indicated that they wanted to increase women's economic autonomy and invest in the parent-child bond that is so important in the early years.

Despite the positive changes in governments' approach to maternity and parental leave, many Island families continue to struggle to maintain a reasonable income during their child's first year. Some do not feel assured of their future participation in the workforce.

Island Women's Experiences of Maternity and Parental Benefits:

I would love to be self-employed but can't afford to be because we want to have more children — I'm basically planning my career around having a family.

The system discourages families from having children.

The benefits process is cumbersome and not meeting needs of families.

The benefits process takes away decision-making power of families.

The needs of mothers far outweigh support available to them.

Knowing what's best for your baby but not being in a position to do it has added a great deal of stress.

The primary purpose of the benefit should be to ensure that all newborns have equal opportunity to receive at-home, full-time care from a parent during the first year of life and that families get support in raising healthy children.

There is a huge impact on children who are separated from their moms too early, both psychologically and emotionally — they don't get the support they need for their development.

(Excerpted from "Looking Beyond the Surface: An In-Depth Review of Parental Benefits," Women's Network PEI, 2004.)

At present, Island women can receive financial support for populating the province through two main sources — the Employment Insurance Fund (replacement salary support for eligible workers) and their employers (top-up programs). This Backgrounder describes the support offered from both sources and offers a sampling of women's reflections on each source's effectiveness in meeting women's needs.

Employment Insurance Fund

Human Resources and Skills

Development Canada reports that eligible birth mothers or surrogate mothers can receive **maternity benefits** at a maximum of 15 weeks. Adoptive mothers are not eligible for these benefits, and neither are fathers.

Parental benefits can be claimed by one parent or shared between two partners but cannot exceed a combined maximum of 35 weeks. Eligible biological or adoptive parents can receive parental benefits while they are caring for a newborn or an adopted child up to a maximum of 35 weeks.

To be eligible, the claimant must have worked for 600 hours in the previous 52 weeks or since their last claim. The waiting period is the first two weeks of a claim, during which time the claimant is not paid. (If two parents share parental leave, the two-week waiting period is waived for the second parent to make a claim, so no more than one waiting period applies for any family.)

If the claimant works while on maternity benefits, her earnings will be deducted dollar for dollar from her benefits. If claimants work while on parental benefits, they can earn \$50 or 25% of their weekly benefits, whichever is higher. Any monies earned above that amount are deducted dollar for dollar from the benefits.

The basic benefit rate is 55% of the claimant's average insured earnings up to a maximum amount of \$413 per week, from which applicable taxes are deducted. Low income families could receive a higher benefit rate in the form of the *Family Supplement*.

Women's Comments on EI Support

The changes were a step in the right direction; but the system only lengthens and expands the inequities of the benefits that already existed. Our government allows women to live in poverty.

This discriminates against seasonal, casual, self-employed, contract, minimum wage, part-time, and unwaged workers.

Maternity and parental benefits should not be based on a woman's paid work history.

Somewhere during the year there are often two people on EI because, around here, a lot of husbands work in fishing, farming, or other seasonal work — so for part of the time you have two people only receiving 55% of their wage — it's very hard financially.

If you work seasonal and have your baby in December you have to go back to work after just four months so that you'll have your EI after the season is over and your parental leave is over.

Some women are having children and then going back to work only days afterwards either because they can't access benefits or they cannot afford to stay out of the paid workforce for long.

(Excerpted from "Looking Beyond the Surface: An In-Depth Review of Parental Benefits," Women's Network PEI, 2004.)

Support from Employers

On PEI, employers legally must grant an employee's right to receive a maximum of 15 weeks of unpaid maternity leave and a maximum of 35 weeks of unpaid parental leave. At their discretion, employers may provide other benefits such as top-up wage payments, pension contributions, continued health coverage, or re-training. These benefits from employers are "top-ups" in that they are additional to the benefits eligible new parents receive from the federal government through the Employment Insurance Fund.

On PEI as elsewhere, top-ups are most commonly seen in the public sector. Eligible federal and provincial employees continue to receive medical and any other benefits for the duration of any maternity and parental leave. Eligible federal employees can receive a top-up to EI benefits to a maximum of 93% of their gross salary for a maximum of 50 weeks. Eligible provincial employees can receive a top-up to EI benefits to a maximum of 75% of their gross salary for a maximum of 15 weeks. Both employers provide top-up during the initial two-week EI waiting period.

About 15% of the Island participants in the Women's Network PEI study who received EI benefits were also eligible for top-up from their employers. According to Statistics Canada, the national rate is about 17%. There is no data on private and not-for-profit employers' top-up wages on PEI, but, nationally, it is estimated that public sector employees are twice as likely to receive it as private sector ones.

Women's Comments on Employer Support

There is no equality in benefits. Some women, thanks to top-up payments, can continue to earn 95% of their regular salary; others take home 55% of minimum wage.

I don't understand why federal government employees get top-up and the rest of us don't — it's not fair — if they see the value in it for their employees what about the rest of us who pay taxes? This excludes and divides women.

My health benefits were suspended when I accessed EI benefits.

Employers don't care — they see it as a pain dealing with women and childbearing issues — they focus on business only — they see women getting pregnant or having to go home to tend to a sick child as a problem — business runs on economy and many employers see dealing with women having children as an inconvenience.

My past employer said that they would never have hired me if they knew I was pregnant when I began my employment.

(Excerpted from "Looking Beyond the Surface: An In-Depth Review of Parental Benefits," Women's Network PEI, 2004.)