



## POLICY GUIDE

### *Maternity and Parental Benefits*

Prince Edward Island Advisory Council on the Status of Women  
P.O. Box 2000  
Charlottetown, Prince Edward Island C1A 7N8  
902-368-4510 (telephone) 902-368-4516 (facsimile)  
[peiacsw@isn.net](mailto:peiacsw@isn.net) (e-mail)  
[www.gov.pe.ca/acsw](http://www.gov.pe.ca/acsw) (website)

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#### *At Issue ...*

At present, the federal government financially supports childbirth and parenting of young children primarily by providing income support to eligible parents through the Employment Insurance (EI) Program. The provincial government is responsible for the labour legislation, the *Employment Standards Act* in PEI, which is the labour legislation that gives workers the right to use EI leave.

Both levels of government are also employers and, as such, they determine what, if any, additional maternity and parental benefits may be available to their workers. Private and not-for-profit sector employers are also free to determine what benefits they may provide their workers.

Unfortunately, the current work-based approach to maternity and parental benefits excludes some women and fails to provide economic security to many others; therefore, it is discriminatory and does not promote equality.

The work-based approach discriminates against particular groups of women, including teenage mothers, single mothers, immigrant women, visible minority women, Aboriginal women, and women with disabilities. It discriminates against women in part-time and contract work and those who are self-employed or who work at home. It discriminates against mothers who have one or more children already at home. It discriminates against Atlantic Canadian women, in general, and Island women, in particular, because here on the Island our economy depends on the contributions of women workers with low incomes and seasonal work patterns, often within small business environments. However, these same women cannot depend upon their government to support them in the important work of bearing and nurturing children.

With such inequities in place and with a new ruling from the Quebec Court of Appeal saying that it is unconstitutional to use the *Employment Insurance Act* to offer social benefits, the Government of Canada needs to rethink its work-based approach to supporting new mothers and their children. At the same time, the Province of PEI needs to strategize about how it can do a better job in supporting women, in particular, and families, in general.

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## *Here on Prince Edward Island ...*

In 2003, the Advisory Council on the Status of Women provided in-kind support to a Women's Network PEI project called *"Looking Beyond the Surface: An In-Depth Review of Parental Benefits."* This project hosted focus groups across Atlantic Canada, including PEI, where women shared their viewpoints on the current access to parental benefits. The PEI consultation report states, *"While women appreciate the increase in [the length of benefits], participants could not say that the current system is working for them."*

What's not working? The focus groups showed that certain groups of women — non-unionized workers, private sector and not-for-profit sector workers, self-employed business owners, and homemakers — were less likely to be eligible for EI or benefits. Statistics Canada reports that forty-one per cent of women (compared to 29% of men) have non-standard work arrangements. Twenty percent of women who work part-time reported to Statistics Canada that they do so because of family caregiving commitments (compared to 2% of men in the same situation).

The workers who face the most challenges in remaining attached to the paid workforce and who consequently have lowest incomes were also the least likely to be eligible for maternity and parental benefits. For those who are eligible, the majority cannot access any form of additional income top-up during their leave.

Compared to other Atlantic Canadian participants, greater proportions of Island women and their spouses were ineligible for EI benefits. Why were they ineligible? On PEI, it was most likely to be because of their type of work. There was a smaller proportion of full-time workers and a greater proportion of self-employed women. There was greater reliance on seasonal work. Education appeared to have no impact on eligibility for EI or maternity and parental benefits for Island women.

Eligibility affects family size. PEI participants tended to have larger families, except if they were ineligible; then family size drops with eligibility. And, on PEI, most household incomes were below \$44,999, the lowest incomes in the region.

The full final report from Women's Network PEI is available at [www.wnpei.org/parentalbenefits/](http://www.wnpei.org/parentalbenefits/)

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## *Our Analysis ...*

Unless and until Island women are supported in giving birth to children and caring for their children while participating in the paid workforce, they are faced with three options: a) Cut back on paid work in order to have the desired number of children; b) Cut back on the number of children; or c) Continue to work, have the desired number of children, but suffer the financial and health consequences. None of these options advance society's desire to create, maintain, and promote strong families and healthy individuals.

There is a need for learning and action on PEI. Individual women are struggling on their own to have their families and maintain their financial well-being — working to bank enough EI hours at the fish plant before the baby is born or returning to their self-owned tourism businesses immediately after giving birth and balancing the care of a baby with demands on the job. Islanders need to learn about the realities of women's lives and what women are contributing to the economy and to society. We need collectively to come up with ways to support all their work.

As an employer, the Province of PEI has recently included in collective agreements a top-up provision for EI-eligible employees of the Provincial Government. This provision tops up Provincial employees' salaries to a maximum of 75% of their gross salary for a maximum of 15 weeks. This begins to level the field for women workers. There is still work to be done, however, to match what the federal government offers its employees — a maximum of 93% of their gross salary for a maximum of 50 weeks.

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### *Across Canada ...*

In Canada, the amount of benefits available to each eligible parent is determined by their work history and delivered through the Employment Insurance (EI) Program. EI maternity benefits for new mothers became available in 1971. Extended parental benefits for either parent were instituted in 1990. Both benefits were enhanced as parental leave in 2001 to a maximum of 50 weeks of combined maternity and parental benefits for eligible parents.

According to a review by Mercer Consulting, compared to other Western nations, Canada places in the middle of the pack in terms of benefits. And, compared to European countries, Canada's program is not particularly generous. Some European countries replace 80% to 100% of previous earnings. Sweden, France, and Germany offer longer periods, especially for low-income parents. Germany does not require a work history in order to provide benefits.

Canada also offers support to new parents through its Canada Pension Plan Child Rearing Drop-Out Provision. This provision allows for one parent to exclude the months spent caring for a child under seven where there were no outside earnings from the calculation of pension benefits if/when the parent becomes disabled, retires, or dies.

The Canada Child Tax Benefit (CCTB) is intended to provide financial assistance to families with children. It provides a base benefit and a supplement targeted to low-income families. This benefit is indexed to keep up with the cost of living.

Statistics Canada data from 2003 demonstrate that changes to federal legislation in 2001 positively affected women's ability to take advantage of maternity and parental benefits, in terms of both the amount of the benefits received and the length of time. Between 2000 and 2002, the average number of women receiving EI maternity benefits increased 8.5% across Canada. However, PEI was among the provinces that showed least change, with only a 4.2% increase. Policy change is needed at both the Federal and Provincial levels to allow more Island women to access more benefits for longer.

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### *Our Analysis (continued) ...*

The province's *Employment Standards Act* requires amendments to better accommodate women's needs. For example, in PEI an employer may require an employee to start a leave of absence if she is not able to perform her job duties within 12 to 14 weeks before her due date. In some provinces, an employer may do so only when there is no alternative employment for the employee. Additionally, the *Act* should make provisions for parents to deal with diagnosis when children are born with permanent intellectual and/or physical disabilities. Prince Edward Island should model its *Employment Standards Act* on the best practices in the country to give Island women the best possible chance to benefit from maternity and parental leave.

The pieces of legislation that govern various professions in PEI may also require amendments. They often require particular numbers of hours within specified time periods to maintain professional qualifications. This is discriminatory against women who are trying to combine their profession with the work involved with bearing and nurturing children.

Employers of women may require education on the value of work/life balance so that they are able to respect both aspects of their employees' lives. Financial incentives in support of topping up employees' maternity and parental leave would help allow businesses the option of promoting that balance.

Through any means, women's unique role as childbearers and their work as caregivers must be elevated in society and given economic status. What is most needed is a new vision, nationally and provincially, that respects childbearing and child-rearing as contributions worthy of support in and of themselves, regardless of the mother's employment history. Given PEI's unique disadvantages within the current system, this work has considerable urgency here on the Island.

## Our Recommendations ...

The PEI Advisory Council on the Status of Women recommends the following actions to the Province of PEI:

### To inspire learning and action:

- Host or co-host a provincial forum on the issue of maternity and parental benefits.
- In collaboration with Island women and women's equality-seeking groups, develop a strategy for increased and ongoing support for women who bear and nurture children.

### To serve as a model employer:

- Increase the percentage amount of maternity and parental top-up payments, coverage of medical and pension benefits, and duration of these payments and benefits to all provincial employees at least to the levels received by federal employees. Whenever possible, provide the same level of benefits to currently excluded provincial employees.
- Publicize positive provincial policies in order to model and encourage similar access to benefits and levels of top-ups for all new parents on the Island.

### To create the appropriate legislation:

- Revise the *Employment Standards Act* so that its leave provisions are on par with best practices in other Canadian provinces.
- Examine legislation that governs professions on PEI, checking to see whether it is discriminatory towards women and whether it prevents them from taking full advantage of parental benefits, and amend the legislation appropriately.

### To encourage private business to support new parents:

- Provide subsidies to businesses that support new parents through top-up payments, continuation of medical, pension, and other benefits, and other provisions designed to enable parents to care for their children and contribute to the paid workplace.
- Conduct a public education campaign designed to raise the level of awareness of special needs of women as employees and their contributions to the economy.
- Protect jobs for women returning to work following maternity and/or parental leave.

### To advocate for the interests of Island citizens:

- Work with the federal government so that maternity and parental benefits are administered separately from the *Employment Insurance Act* within a comprehensive support structure for all new parents.

**The PEI Advisory Council on the Status of Women is an arms-length government agency that works for equality and supports women's full and active participation in social, legal, cultural, economic, and political spheres of life.**

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.)

**FACT: CANADIAN WOMEN ARE BEING EXCLUDED FROM RECEIVING MATERNITY AND PARENTAL BENEFITS.**

An Atlantic Canada project funded by Status of Women Canada and sponsored by Women's Network PEI called "*Looking Beyond the Surface: An In-Depth Review of Parental Benefits*" named these realities for Canadian women:

- 41% of Canadian women who work cannot access maternity and parental benefits under the *Employment Insurance Act*. These are women who do temporary, contract, or seasonal work, women who work part-time, and women who are self-employed.
- The most vulnerable and marginalized women are the least likely to be eligible for benefits. These women include: teenage new mothers, women with little education, low-income women, single mothers, immigrant women, visible minority women, Aboriginal women, and women with disabilities.
- Women in childbearing years are less likely than older women to be eligible for benefits.
- Mothers are less likely than others to qualify for EI benefits and therefore for maternity and parental benefits.
- Men are more likely than women to be eligible for parental leave.

**FACT: WOMEN IN ATLANTIC CANADA ARE LESS LIKELY THAN WOMEN IN OTHER PARTS OF CANADA TO BE ABLE TO ACCESS BENEFITS.**

Statistics Canada data illustrate why Atlantic Canadian women find it so difficult to access maternity and parental benefits:

- In 1999, 15% of female labour force participants in Newfoundland were unemployed, while the figure was 13.9% in PEI, 9.4% in New Brunswick, and 8.8% in Nova Scotia. In contrast, less than 8% of female labour force participants in Ontario and each of the Western provinces were unemployed.
- Women in the Atlantic provinces have the lowest incomes in the country so for those who do qualify for benefits, the compensation is lower. It may also be lower than 55% of their normal weekly earnings. The Canadian Labour Congress found, in its March 2000 *Analysis of UI Coverage for Women*, that 32% of unemployed women who receive insurance benefits receive less than 55% of their normal weekly earnings. This is because weeks with no work or below-normal earnings were included in calculations of their insurable earnings.

**FACT: PEI'S ECONOMIC CIRCUMSTANCES MEAN ISLAND WOMEN ARE EVEN LESS LIKELY TO BE ABLE TO ACCESS BENEFITS.**

Data from the 2001 *Census* show that PEI women face particular disadvantages qualifying for EI in the first place and then supporting a family on the 55% replacement income:

- 43% of Islanders work full-time, year-round.
- 30% of Prince Edward Island women workers are part-time workers — less likely to qualify for benefits.
- While there is very little difference between average salaries for Island men and Island women, PEI workers are the lowest paid in the country with an average weekly wage of \$546.54.
- One quarter of PEI women in the paid workforce earn less than \$7.50 an hour. Maternity and parental benefits replace wages at 55%, meaning that these Island workers would be eligible to receive the equivalent of \$4.12 an hour. This is far below the poverty line.
- 62% of PEI women in the paid workforce earn less than \$20,000/year.

**FACT: WITHOUT SUPPORTING WOMEN IN THEIR DUAL ROLES AS WORKERS AND MOTHERS, PEI CANNOT CONTINUE TO GROW AND PROSPER.**

The 2001 *Census* shows beyond a doubt that, as members of the workforce and the ones who bear and nurture children, women play a crucial role in PEI's growth and development:

- More PEI women are in the workforce than in any other province. They make up 47.2% of the total workforce.
- 83% of women with small children are in the paid workforce. That is 20% above the national average.
- While the Island economy is growing, the percentage of children living in poverty is not decreasing. Twenty-seven percent of Island children aged 0 to 5 years live in homes with incomes that fall below low-income measure, in line with the national average.
- The province's birth rate (45 births for 1,000 women) is just slightly above the national birth rate (44 births for 1,000 women). At this pace the province's population cannot be sustained.
- *And yet . . .* Shelley Phipps (2000) found the more children a mother has, the less likely she is to qualify for maternity and parental benefits: 78% of first-time mothers are eligible, 58% of mothers of a second child, 43% of mothers of a third child, and 11% of mothers with three or more children.

**Q** Why are you talking about this issue? Hasn't the federal government dealt with this already?

**A** In 2001, the Government of Canada took an important step to support new parents when it amended the *Employment Insurance Act* to increase the benefits available to eligible parents. These amendments extended to one year the amount of time qualifying parents could collect maternity and/or parental benefits. The changes allow many parents to spend a period away from their paid work in the first year of their child's life.

But, that was just a first step. There is more work to be done to ensure that ALL new parents, not just those eligible under the EI program, have the resources required to nurture their children during the first years of life. There are many things that the Province of PEI could do to support parents' efforts.

**Q** Why is it a public responsibility to support women as they give birth and care for children? Isn't that what parents are supposed to do?

**A** Yes, parents are expected to care for their children. They must provide for children's needs and keep them safe from harm. They must nurture their children and make efforts to ensure optimal development. But it is clear that parents cannot do this work in isolation from their community, the economy, and society as a whole.

New research based on magnetic resonance imaging (MRI) depicts brain development and clearly shows that the early years are crucial for children's growth and learning. The combination of having basic needs met, being stimulated, and experiencing secure emotional attachments actually creates neural connections that provide a lifelong map for a person's capabilities and contributions.

Renowned child development researchers such as Dr. Fraser Mustard and Dr. Doug Wilms have shown that community supports are vital to children's development. They say unequivocally that the quality of a community actually makes a difference in a child's ability to learn.

In the meantime, the Government of Canada names poverty and unemployment as two risk factors for healthy child development.

Raising children is serious business. Yes, parents — typically mothers — bear the prime responsibility. But the entire community is responsible for supporting their work. And our elected government's policies and programs should help the community meet its collective responsibilities.

**Q Why is this a women's equality issue?**

**A** Only women can bear children and then nourish them by breastfeeding. As well, women typically serve as the primary caregivers of children. Having this unique set of capabilities and responsibilities means that women require support to hold equal financial status while fulfilling the duties involved with birthing and mothering.

A man can become a parent without suffering adverse consequences. He remains part of society and the economy. His income remains steady, and he continues his involvements with the world. But, for a woman, things are different. During the pregnancy, she may have specific health needs, and she may have to restrict her activities. During childbirth, she is the one most at risk. Then, while caring for an infant, she foregoes opportunities to earn her living. And, if she continues to care for her child at home after infancy, she suffers an ongoing loss of income and status that can have lifetime effects.

Women in Canada are still primarily responsible for caring for infants, and one piece of evidence is that 93% of all beneficiaries of parental benefits are women — even though men are more likely than women to be eligible for benefits (because they are more likely to have the necessary work history), and even though the changes to the *Employment Insurance Act* in 2001 were partly made to encourage more male partners to participate in caring for their children.

Obviously, despite the challenges, women continue to bear and nurture children. Their struggle to do so and to have equal status makes this a key equality issue.

**Q How are Island women coping with the situation right now?**

**A** Island women are doing what they have always done: They are relying on themselves and each other to make things work.

Despite low access to maternity and parental benefits, they continue to work and bear children. And, when it is time to return to work after the baby's birth, they turn to other women for the required childcare. In fact, Statistics Canada reports that Island children have the highest rate of non-parental care in the country.

At the same time, Island women appear to take their mothering responsibilities very seriously. Information from the PEI Department of Health and Social Services shows that the rate of breastfeeding on PEI is increasing and that the rate for breastfeeding up until six months is comparable to the national average. Most Island focus group participants in the Women's Network PEI 2004 study, *Looking Beyond the Surface: An In-Depth Review of Parental Benefits*, reported that access to parental benefits does not play a role in their decision whether or not they breastfeed their children. It appears that they just do it, despite

any obstacles. But the Island's breastfeeding rate drops below the national average after six months, suggesting that, despite this obvious commitment to the practice, breastfeeding continues only until the mother has to return to work.

The Island focus group results raise another interesting possibility. Compared to other Atlantic Canadian participants, members of the Island focus group were more likely to work part-time or seasonally, to be self-employed, to have lower incomes, and to have spouses who were ineligible for benefits. These factors made them less likely to be able to access benefits for the full-year period. But, even with reduced access, the Island women participants were more likely to have more than one child. This suggests that Island women persist in having children, despite the lack of financial support for that decision. At the same time, though, participants with absolutely no access to benefits tended to have fewer children than those with some access. It appears that Island women want to have children and are looking for ways to make it feasible.

**Q** What effect is the current system having on the financial security and well-being of Island women?

**A** Island women are taking big risks with their long-term economic security in order to have children. Time-out from paid work means reduced income right now and reduced retirement contributions for further down the road. As well, it can mean a longer period of time in the paid workforce before a woman is able to retire.

There are other, more variable financial consequences. What are a woman's job prospects when she seeks employment during her child-bearing years? Are employers less likely to hire someone who may require maternity and parental leave? When a woman is off the job, is her position secure? Does she miss advancement and training opportunities? Will employers invest in someone who is likely to take time away for family responsibilities? Are there aspiring women entrepreneurs who are being blocked in their goals because self-employment means no financial support for them following pregnancy?

For those women who leave the paid workforce or never join it, what are their economic options? In order to care for their own children, they must become financially dependent upon their partner. What does that do to their freedom and independence?

Dealing with all these questions can lead to undue stress. The decision to have a child must be balanced with so many other factors that, often, it is not the joyful experience that it might be. One Women's Network PEI focus group participant reported that her first thought after her child's birth was not whether it was a boy or a girl. Rather, she was wondering how quickly she might be able to get to the Employment Insurance office to fill out her cards! Another woman told the story of trying to maintain her seasonal employment at a restaurant and also nourish her child by running home every few hours to nurse her baby when her breasts filled

with milk and became painful. Being a paid worker and a mother at the same time means that women must continually struggle to balance both roles.

These circumstances raise an important question: Is it fair for an entire society to rely upon women of child-bearing age to work and sacrifice for the benefit of everyone's future?

**Q What are the connections between this issue and other policies in place in PEI?**

**A** The lack of support for birthing and mothering is one facet of an overall lack of acknowledgment that things have changed on PEI over the past thirty years as women have taken their place in the paid workforce. Policy still reflects a picture of the man as a primary breadwinner and the woman as a dependant — someone who may work, but whose income is secondary to the man's earnings. Without that belief, it would be considered unacceptable for half the population to pay so dearly for the province's future.

That picture is completely distorted. We know that, on average, Island women earn about the same as Island men. In fact, Island women have higher levels of education and training than Island men. But women's earnings start dropping off as soon as they marry and have children. We also know that a good portion of Island women are the sole earners in their households. Statistics Canada reports that about 20% of Island families are headed by one parent, and 84% of these families are headed by women.

Despite these realities, we do not make the proper investments in supporting women and their families through maternity and parental benefits, child care programs, and other forms of family support. In 1999, the Province made a commitment to support children through its *Healthy Child Development Strategy*. The *Strategy* makes no specific mention of women as children's primary caregivers and does not name the link between improving women's status in society and improving children's outcomes. As such, the *Strategy* is incomplete and lacks the comprehensive overview required for real change to occur.

**Q What changes do Island women want?**

**A** Overwhelmingly, Island participants in Women's Network PEI focus groups wondered why maternity and parental benefits are associated with the mother's employment history. They thought that the birth of the child, not parents' work history, should be the trigger for support that would enable parents to provide primary care for the child during the early years.

As one mother said,

*“I’d like to know why [maternity and parental benefits are] tied to EI. We need to look at what is in the best interest of the child. Either we support child development and nurturing or we don’t — what does it have to do with work or the type of job you have or how much money you make? As a society, we need to decide if we want to raise healthy children and if we do, we need to invest in them.”*

Other general suggestions from the focus groups stressed the need for flexible, individualized, and equitable supports. Overall, participants say that having a child should not mean facing undue financial hardship. Right now, women are losing employment income in the short term and pension income in the long term. Even if women are eligible for maternity and parental benefits under EI, few employers outside the public sector top up income beyond the basic benefits. Even fewer top up pension contributions while women are on leave. Women’s childbearing years are also prime years for investing for security during retirement, but few women who take maternity and parental leave are able to make up the difference in pension contributions with their reduced or lost incomes.

In addition, women who take leave may also be losing seniority in the workplace, medical benefits, professional licenses, and clientele. Island women are asking their fellow citizens to recognize their substantial contributions to society and to provide tangible support so that these contributions can grow and prosper.

**Q** **Isn’t this type of support a federal responsibility? Why are you talking to the provincial government about this issue?**

**A** Yes, traditionally, mothers have received income support from the federal government, not only through the Employment Insurance program but also through measures like the Child Tax Credit program and the Canada Pension Plan Child Rearing Drop-Out Provision. But we are talking about something more than stand-alone measures.

We are talking about a complete change in attitude towards women and what they do for our society. Governments at all levels need to rethink the economy and women’s roles in it. There is a precedent for provincial governments taking this approach. In its 2003–2004 budget speech, the Government of Quebec outlined its strategy called *Supporting Families—Towards a Better Work-Family Balance*. PEI could work to adopt a similar comprehensive strategy that enables women to have children and do their chosen work.

It is clear that if we wish to see real change towards women’s equality in Prince Edward Island and in Canada, we must do all that we can to ensure that *both* federal and provincial governments create effective policies and programs and that they each take leadership where they can to support women and their families.

**Q** I've heard about a Quebec court case that some women fear threatens federal maternity and parental benefits. What's the issue? Is the Quebec government opposed to maternity and parental benefits?

**A** Quebec certainly does not oppose maternity and parental benefits. Hands down, the Quebec government offers the best package of maternity and parental benefits to their provincial employees of any province in Canada. In fact, when the federal government first began to consider including maternity and parental benefits under its employment insurance program, Quebec was further ahead on the issue and wanted to offer women and families *more* benefits than Ottawa was considering.

As a result, Quebec wanted to opt out of the federal program, with compensation that would allow their Province to proceed with their superior program. But negotiations with Ottawa broke down, and in 2002 Quebec turned to the Quebec Court of Appeal with questions about whether or not the provinces have jurisdiction over maternity and parental leave and whether or not Ottawa overstepped its limits by offering maternity and parental leave through employment insurance.

The Quebec Court of Appeal responded with an advisory ruling that a) maternity or parental leave did not meet narrow legal definitions for "unemployment" and b) social welfare and security fall under provincial, not federal jurisdiction. The Court's conclusions are framed in such a way that they could affect all provinces and territories, not just Quebec.

The federal government is appealing the Quebec Court of Appeal ruling to the Supreme Court of Canada. The Supreme Court's ruling could have significant consequences for Canadian women, but we don't yet know what it all might mean for the future of maternity and parental benefits.

On the one hand, if the Supreme Court rules that maternity and parental benefits are a social benefit, not an employment benefit, that could have some positive effects. For instance, it could move us away from linking maternity and parental benefits to parents' work histories and could mean that women not currently eligible under EI might be able to access benefits.

However, if the Supreme Court finds that as social benefits, maternity and parental benefits must be managed by the provinces instead of the federal government, women could stand to lose the hard-won benefits we currently have. Prince Edward Island and other Atlantic Provinces are already strapped for cash for social programs. Adequate funding for maternity and parental benefits could become as hard to negotiate between federal and provincial governments as health care already is.

Ideally, all provinces and territories should work towards a generous program like that in Quebec. However, for women in other parts of Canada, it is a real advantage to have access to a program that is delivered federally. As we have said, the benefits delivered under EI are not yet adequate, but they at least offer many women across the country the same minimum access to benefits.

Women struggled for years to ensure that new parents across Canada would have access to basic maternity and parental benefits. The challenge was immense. Women can't afford to start the struggle from scratch in each province. Instead, we need to insist that our provincial and federal governments work together to ensure a program that is equitable and workable for all of Canada.