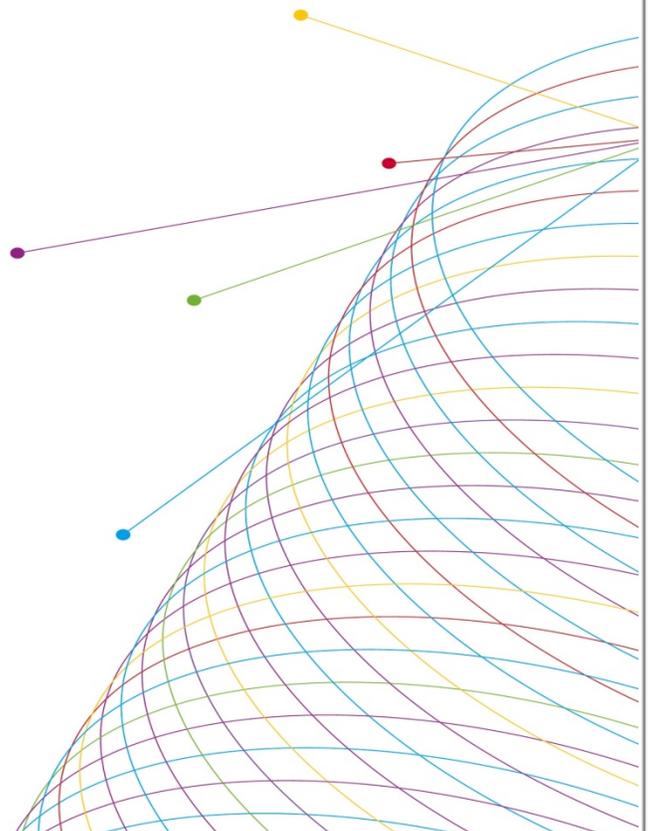


Executive Summary: Employment Insurance Special Benefits Online Consultations

October 6, 2016 – November 4, 2016



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The opinions and interpretations in this report are those of the author
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EXECUTIVE SUMMARY

Consultation Background

On October 6, 2016, the Honourable Jean-Yves Duclos, Minister of Families, Children and Social Development, launched an online consultation to seek the views of Canadians on providing more flexible EI maternity and parental benefits and leaves under the *Canada Labour Code* (CLC), as well as more inclusive caregiving benefits and leaves for Canadians who provide care to a family member. The consultation closed November 4, 2016.

Employment and Social Development Canada led the design of the consultation. Access of the online consultation tools were hosted on ESDC's website. Submissions were accepted in both official languages. The online consultation was divided into two themes: 1) Caregiving; and 2) Maternity/Parental. Participants were offered several options to provide their feedback: a main questionnaire which included multiple closed-ended and open-ended questions; open forum topics posing one broad question on each forum; and quick poll tools with close-ended questions.

Participation in the consultation was voluntary. The questionnaire included questions for classification, such as demographic questions, close-ended responses, and open-ended responses. Questions were asked for information gathering purposes only and were not meant to be used to identify respondents. Participants were informed of potential public release of the content of their responses and they had to agree before submitting their responses.

Key Findings

CAREGIVING BENEFITS AND LEAVES

Providing care has a clear impact on jobs, health, and emotional well-being of care providers.

Overall, participants emphasize the financial, personal health, and emotional burdens of providing care for loved ones. They also stress the importance of job protection and reasonable income replacement rates.

For 38% of participants with experience providing care, their duties are/were clearly a full-time activity as they report providing care on average for more than 30 hours a week. A similar proportion of participants (40%) state that the caring hours have increased, while only 17% report a decrease in the hours they provide care. Although 59% of care providers receive help from family and friends, a notable percentage (41%) report having no one to support them in their caring activities.

The clear majority (82%) was working in paid employment, on a full-time job, when they began providing care. Almost half of them (46%) had to reduce their working hours; while one-quarter (25%) state they lost their jobs. Approximately four of every 10 (39%) chose not to take time off work, most citing financial reasons. Very few indicate their workplaces are/were supportive.

Most caregivers who chose to take time off work did not receive benefits.

Almost two-thirds (61%) of caregivers in paid employment chose to take time off work to provide care. Among them, only 11% indicate they have received either Compassionate Care benefits or Parents of Critically Ill Children (PCIC) benefits. One-third stated they were not eligible due to not meeting the hours required or that the condition of the care recipient was not covered. Another third (33%) were not aware of Compassionate Care or PCIC benefits.

Overall, 42% indicate they have not received any income from their employer while being off work, while just under one-half (49%) state they have used paid sick, vacation, or personal days to provide care.

Among the options, most prefer receiving benefits and leaves of up to 26 weeks to provide care for someone who has a sudden need for care and whose condition is considered life-threatening.

The clear majority of participants are not in favour of a status quo in current caregiving benefits. Most participants would like to see more flexibility, coverage, and better financial support.

Among the approaches presented as options, the preferred approach is receiving benefits and leaves of up to 26 weeks to provide care for someone who has a sudden need for care and whose condition is considered life-threatening. Preference for this approach is consistent in both the main questionnaire (49%) and quick poll (54%).

The second preferred option is receiving benefits and leaves of up to 6 to 12 weeks to provide care for someone with a serious illness or injury, broadly defined, and significant care needs (20 or more hours of care per week). Again, there is consistency within the main questionnaire (43%) and quick poll (40%).

Participation included a good mix of experience.

While most of the participants were women (75%) between 35 and 64 years of age (76%), the online consultation had a good mix of participants in regards to their experience providing care for a loved one. Approximately one-third of participants (32%) had never provided care, but 39% had provided care previously and an additional 29% were providing care at the time of the consultation.

Participants' experience was also varied in regards to types of conditions, length of care provided, and age of care recipients. Within the participants, the most common types of conditions cared for were long-term chronic conditions as well as end-of-life conditions, with cancer being the most specific condition cited. In regards to age of care recipients, 53% are/were 65 or older, 21% are/were between 55 and 64, and the rest (26%) are/were younger than 55. The length of care provided was divided between those who have been providing or provided care for two years or more (54%) and less than two years (46%). Care recipients were mostly parents (42%) or spouses (29%).

MATERNITY/PARENTAL BENEFITS AND LEAVES

Overall, the most common challenges experienced while on maternity or parental leave are regarding financial hardships, restrictions in the qualification criteria for those self-employed or on contract, and difficulties finding childcare.

When asked about their challenges while being in maternity or parental leave, the most common challenges mentioned are related to finances, especially among those with single income families, twins, and multiple births; difficulties finding suitable and affordable childcare; and problems qualifying for EI benefits while being self-employed or working on contract.

Longer combined maternity and parental leaves is the preferred approach.

More than half of participants across all data collection tools (58% within the main questionnaire and 60% within the quick poll) prefer taking longer combined maternity and parental leaves for up to 18 months at a lower EI benefit rate (more time off work, with less money per month).

The top three factors that would influence the decision of taking combined 18 months of maternity and parental leaves at a lower EI benefit rate are impacts on family income, availability of job protected leave, and child care arrangements. When prompted, the clear majority (83%) agrees that child care would impact their decision to take a longer leave.

Moreover, the ability to extend combined EI maternity and parental benefits and Canada Labour Code leaves over 18 months would motivate the majority (71%) to share benefits/leaves with a spouse/partner.

Taking parental leave in smaller blocks of time over a period of up to 18 months is less preferred than the existing benefits (50 weeks over 12 months).

The option of taking parental leave in smaller blocks over a period of up to 18 months was chosen as the preferred approach by only 17% of respondents to the main questionnaire and 15% of respondents to the quick poll.

Allowing earlier benefits and leaves for pregnant workers is the preferred approach.

Participants were asked which approaches should be taken to assist pregnant workers who feel the need to leave work during pregnancy due to work-related health and safety risks or if workplace accommodations are not made available to them, also known as “preventive withdrawal”. Almost two-thirds (64%) of participants prefer allowing EI maternity benefits and corresponding leave to be taken earlier than currently allowed, even if that means that fewer weeks of benefits are available post-birth. A notable percentage of participants (56%) indicate they would like the government to raise awareness of this issue among employers and encourage them to modify work tasks or workplace conditions whenever reasonably feasible.

Impact on family income, availability of job-protected leave, and childcare arrangements are the main influencers on the length of time off work participants decided to take.

The majority of participants had taken a leave of absence to provide care to a newborn or newly adopted child or children, with 52% having taken a leave just once and 21% more than once. Two-thirds of participants had taken both maternity and parental leave, 38% for 12 months and 25% for more than 12 months.

The top three factors influencing the decision of how much time to take off work are impact on family income (60%), availability of job-protected leave (57%), and childcare arrangements (41%).

Employer top ups to maternity and parental benefits.

Just over 40% of participants who had taken maternity or parental leaves did not receive any top ups. A similar proportion (43%) indicate they have received a top up only for some of the leave period.

Among participants who say they received a top up, roughly one-quarter (23%) received or are receiving 100% of their salary, while 40% state they have received or are receiving over 90% of their salary.

The vast majority (87%) state they were able to return to their previous employer.

Mixed views among those self-employed.

Self-employed parents are divided over whether any of the options would be suitable for self-employed parents; an almost even split exists between those in favour and those not in favour of longer combined maternity and parental leaves.

Among self-employed participants, the majority say they did not opt for EI Premiums; half of them say they would be influenced to do so by having a choice of parental benefits duration.

More flexibility, more options for childcare, and expanded benefits for multiple births are the most common additional suggestions.

Participants provided a variety of suggestions on how to improve maternity and parental leave benefits. The most common suggestions include added benefits for parents of multiple births, creating more childcare space, and having more choices in regards to leaves.

Engaged participation from young adults and those who have taken maternity or parental leave before.

As expected, participation on the maternity and parental theme of the online consultation skewed towards a young demographic; almost half (48%) of participants were 18-34 while 39% were 35-49. Similar to the caregiving topic, the majority of participants were women (83%), most working at a paid job or business full-time (70%). One-fifth of participants were on maternity or parental leave at the time of the consultation.

STAKEHOLDERS PERSPECTIVE

Stakeholders believe that changes to the access of benefits and leaves are needed. However, some believe that before the implementation of any change extensive research, analysis, and evidence has to be presented and taken into account.

Overall, there are three overarching themes that emerge from these submissions: 1) access to benefits and leaves, which includes offering more flexibility around the eligibility criteria; 2) generosity, which includes the extending the length of the leaves and/or increasing the benefits rates; and 3) potential impacts on businesses, which is mainly the perspective of small and medium businesses.

In regards to access, stakeholders from not-for-profit organizations believe that the eligibility criteria is too restrictive and would like to see a reduction in the requirement of minimum hours and earnings. Some believe that current benefit provisions should expand beyond terminal illnesses and palliative care, extending the benefits to episodic and chronic care.

Other suggestions included related to access include reducing the waiting period for accessing EI benefits, and ensuring equal benefits and options for caregivers of both genders.

In regards to generosity, stakeholders stress the importance of the availability of flexible working hours as well as the need to ensure sufficient financial support is provided.

Stakeholders from the not-for-profit sector advocate strongly for an increase benefit rate percentage and longer leaves. Some of the suggestions received include increasing Compassionate Care to 35 weeks, allowing greater flexibility by allowing partial weeks for a longer period of time, improving leave policies for fathers and second parents, and increasing the maximum time allowed for claimants of sickness benefits as the current time period is less than the average treatment periods.

While it is clear that the general public supports an increase in benefits, small and medium businesses, although sympathetic with those in need, hold a different perspective.

Some stakeholders from small and medium businesses say that companies cannot afford to incur the costs associated with backfilling positions vacated by employees taking leave, which includes recruitment and training costs. Along the same line, some stakeholders from small businesses indicate that they do not support extending leave to 18 months, and cannot accommodate flexible and intermittent caregiving leaves as holding positions open creates different levels of burdens.

Other opinions put forward by stakeholders from the business sector include the belief that increased premiums are not feasible based on current economic conditions, and the opinion that EI payroll taxes constitute the highest form of company taxation.

Stakeholders from this sector offer some suggestions for the government. Some examples include recommendations for implementing a hiring and training tax credit, the extension of the Small Business Job Credit beyond 2016, allowing small businesses to claim over-contributions, the exclusion of non-life-threatening incidents from Compassionate Care leaves, and the decrease of EI rates for small businesses.

Aside from the three themes covered in this section, other suggestions for compassionate care were brought forward by stakeholders. Some of the suggestions include maintaining the recent increase in the benefit period from 6 weeks to 26 weeks within a 52-week period, allocating more investment into eldercare, implementing a 50:50 split (employer/employee) for EI premiums, and the implementation of a national communications plan to ensure that potential beneficiaries are aware of federal leave programs.

Stakeholders who provided their feedback through the online tools were mostly from charitable or non-for-profit organizations (64%). Other stakeholders were from different government levels and departments (31%), as well as from the private sector, business or professional associations (6%).