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# **Parental and Maternity Leave Policies In Canada and Sweden**

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## FOREWORD

The Industrial Relations Centre is pleased to include this study, Parental and Maternity Leave Policies In Canada and Sweden, in its publication series **School of Industrial Relations Research Essay Series**. The series is intended to give wider circulation to selected student research essays, chosen for both their academic merit and their interest to industrial relations practitioners and policy makers.

A substantial research essay is a major requirement of the Master's Program in Industrial Relations at Queen's. The essay may be an evaluation of a policy oriented issue; a limited empirical project; or a critical analysis of theory, policy, or the related literature in a particular area of industrial relations.

The author of the essay, Laurie Schwartz, graduated from the School of Industrial Relations in October 1987.

I would like to express my appreciation to the author for granting permission to publish this excellent study.

D.D. Carter, Director  
Industrial Relations Centre  
and School of Industrial Relations  
Queen's University

February 1988

## **ABSTRACT**

Sweden and Canada provide two significantly different maternity and parental leave programs. Sweden's Parental Leave program is comprehensive and "progressive", covering all eligible individuals and enjoying an extremely high utilization rate. Canada's Maternity Leave program, in contrast, does not share the Swedish success; only about half the women who bear children each year collect maternity benefits.

The fundamental difference between Sweden's and Canada's maternity and parental leave programs stems from the underlying philosophies behind their respective policies. This study examines and compares the current programs in place in Sweden and Canada, and extracts potential lessons that can be learned for Canada from the Swedish Parental Leave program.

## INTRODUCTION

Over the last few decades, the role and the image of women in industrialized society have undergone profound changes. There has been a steady increase in the participation of women in the workforce, as well as a significant change in women's attitudes toward work itself. These changes have made equality of men and women in the workforce and in society at large an attainable goal. The traditional pattern of segregated roles of men and women in work and family life has been challenged.

However, the realization of the goal of total equality is somewhat curtailed by the inevitable physiological role of women in the procreative function. Because women are working during the peak of their childbearing years, they are continually faced with the heavy burden of reconciling their family and career responsibilities. It is important that women not be forced into an either/or situation, and that the father's role in childbirth and child rearing be recognized. Therefore, social and economic policies are required to create conditions conducive for women and men to combine their duties as parents and as employees for the good of both their families and society. Thus, a great need has been created for comprehensive and forward-looking provisions for maternity and parental leave policies.

In the following paper the maternity and parental leave policies adopted in Sweden and Canada in response to the change in the composition of the workforce will be analyzed and compared. Canada's maternity leave and benefits provisions have developed only very recently, and are generally viewed as not being nearly as well developed as those in most other industrialized countries. Sweden was chosen as a useful basis for comparison with Canada because Sweden has widely been regarded as a model for other countries due to its commitment to equal participation for men and women both in the work force and in family life.

This paper is divided into three main sections. Section I provides an overview of the state of parental leave in Sweden today, including thorough examinations of how the program fits into the overall Swedish environment, and the success rate of the program. In Section II, the Maternity Leave and Benefit system currently existing in Canada is outlined and analyzed. Section III compares the Canadian Maternity Leave and Benefit system to the Swedish Parental Leave program, in an attempt to assess the extent of major differences in the programs and to extract some tangible lessons from Sweden for the improvement of the Canadian Maternity Leave and Benefit program.

## PARENTAL INSURANCE IN SWEDEN

### Philosophy and Policy

The composition of the labour force in Sweden has changed dramatically since the mid-1960's. There has been a steady rise in the numbers of gainfully employed women, particularly the participation rate of married women in the labour force (Parental Insurance in Sweden-Some Data, 1977, p1). Since the mid-1960's married women have constituted the major portion of the growth in the labour force, and since the 1970's the bulk of this expansion has occurred among women with preschool-aged children (Kamerman and Kahn, 1981). In 1930 less than 10% of the married women were gainfully employed; in 1950 the figure was 15%. By 1980 there were approximately 70% of married women in the workforce, although only half were working full time (Kamerman & Kahn, 1981).

This trend in the labour force participation rate of married women has prompted a great deal of reform in Swedish family policy. The approach Sweden has adopted regarding paid maternity or parental leave is based on a philosophy which the Swedish government admits "appears revolutionary and unrealistic in the eyes of the representatives of many other countries" (Townson, 1983, p21). The Swedish government's goal, set out in a 1968 report to the United Nations on the Status of Women in Sweden, is to achieve equality of economic and social rights and obligations among men and women:

...every individual, irrespective of sex, shall have the same practical opportunities, not only for education and employment, but also in principle the same responsibility for his or her own maintenance as well as a shared responsibility for the upbringing of children and the upkeep of the home. Eventually to achieve complete equality in these rights and obligations, a radical change in deep-rooted traditions and attitudes must be brought about among both women and men, and active steps; must be taken by the community to encourage a change in the roles played by both. The view that women ought to be economically supported by marriage must be effectively refuted - also in the legislative field - as this view is a direct obstacle to the economic independence of women and their ability to compete on equal terms in the labour market. Similarly, the husband's traditional obligation to support his wife must be modified to constitute a responsibility, shared with her, for the support of the children. This concern for the children should also be manifested in a greater degree of participation in the supervision and care of the children on the husband's part. (Townson, 1983, p21).

As it evident from the above report, Sweden is vitally concerned with sex roles and the equality of women and men. It is in this context that Sweden underwent a transition, in the late 1960's and the early 1970's, from a limited system of maternity leave and benefits to a comprehensive Parental Insurance scheme (Townson, 1983). Since then, further revisions have been made, which are all designed to accomplish the following two goals: 1) to make it possible for parents to manage family and home as well as job responsibilities simultaneously; and 2) to ensure equity between the sexes, so that the dual burden of home and work does not fall disproportionately on women (Kamerman, 1980).

Thus, the implementation of Sweden's current policies regarding parental leave are based on the provision of leaves of absence and financial supplements for those parents wishing to care for their children at

home. The combination of leaves of absence and protection against loss of income will enable both parents to continue gainful employment while maintaining direct responsibility for the care of their children.

## **General Overview**

Sweden's original maternity leave and benefit system was introduced in 1937 (Side by Side, 1985, p7). According to this system, the wage related benefit was payable only to mothers for each day of absence from the job in connection with childbirth (Sweden: Cash Maternity Benefits for Fathers, 1973, p38). The original maternity benefits were aimed at replacing about 80% of a woman's net earnings. However, the actual replacement level could range anywhere from 50%-100% of net earnings (Sweden: Cash Maternity Benefits for Fathers, 1973, p38).

The maternity benefit was replaced with a more comprehensive insurance scheme, under the Parental Insurance Act (1976:280) introduced in 1974, which entitled parents to share leaves of absence in connection with childbirth. The current Child Care Leave Act (1978:410), which was passed in 1978 and came into force on 1st January, 1979 when the Parental Leave Act ceased to apply, provides for a comprehensive system of Parental Insurance (See Appendix A) (Swedish Child Care Leave Act, Ministry of Labour, 1985). Since 1979, the Act has been subject to some minor amendments, the last of which entered into force on 1st January, 1983.

Under the Child Care Leave Act, both male and female employees - of a specified standing - are entitled to leave of absence for child care. In addition, female employees - irrespective of standing - are entitled to leaves of absence in connection with childbirth of six weeks before and six weeks after confinement. Women are also entitled to leave of absence to nurse the child.

The Child Care Act also includes a provision which entitles women who are prevented by the physical strain of their jobs from continuing with their normal duties toward the end of their pregnancy term to be transferred to alternative duties without loss of pay. Women who cannot be transferred receive a certain amount of leave of absence instead, along with compensation paid out of national insurance (See Appendix A for Child Care Leave Act).

Presently, Parental Insurance, provided for under the terms of the Child Care Leave Act, falls into three parts collectively referred to as Parent's Cash Benefit. These three components, to be discussed in the forthcoming sections, are the following:

- a) Parent's Cash Benefit for Childbirth;
- b) Special Parent's Cash Benefit; and
- c) Parent's Cash Benefit for the Temporary Care of Children.

In 1974, a preliminary form of the Parent's Cash Benefit was introduced, replacing the existing maternity leave program. It consisted of Parent's Cash Benefit for Childbirth and Parent's Cash Benefit for Temporary Care of Children. As of January 1st, 1978, this original Parent's Cash Benefit was further expanded to include the Special Parent's Cash Benefit.

Each of these three areas of the Parent's Cash Benefit consist of a specified amount of leave time from employment as well as a cash benefit. A cash benefit (as opposed to a benefit in-kind) usually involves a direct government transfer of money to the individual recipient. A monetary transfer can be made indirectly as well through the tax system.

Presently, the Parent's Cash Benefit, consisting of all three components, provides for a total amount of leave of 12 months, available to either parent, to be taken in connection with childbirth or adoption and to be used throughout the child's first eight years of life. As well, a maximum of sixty days, to be utilized for the temporary care of a child under 10 years of age, is available to either parent.

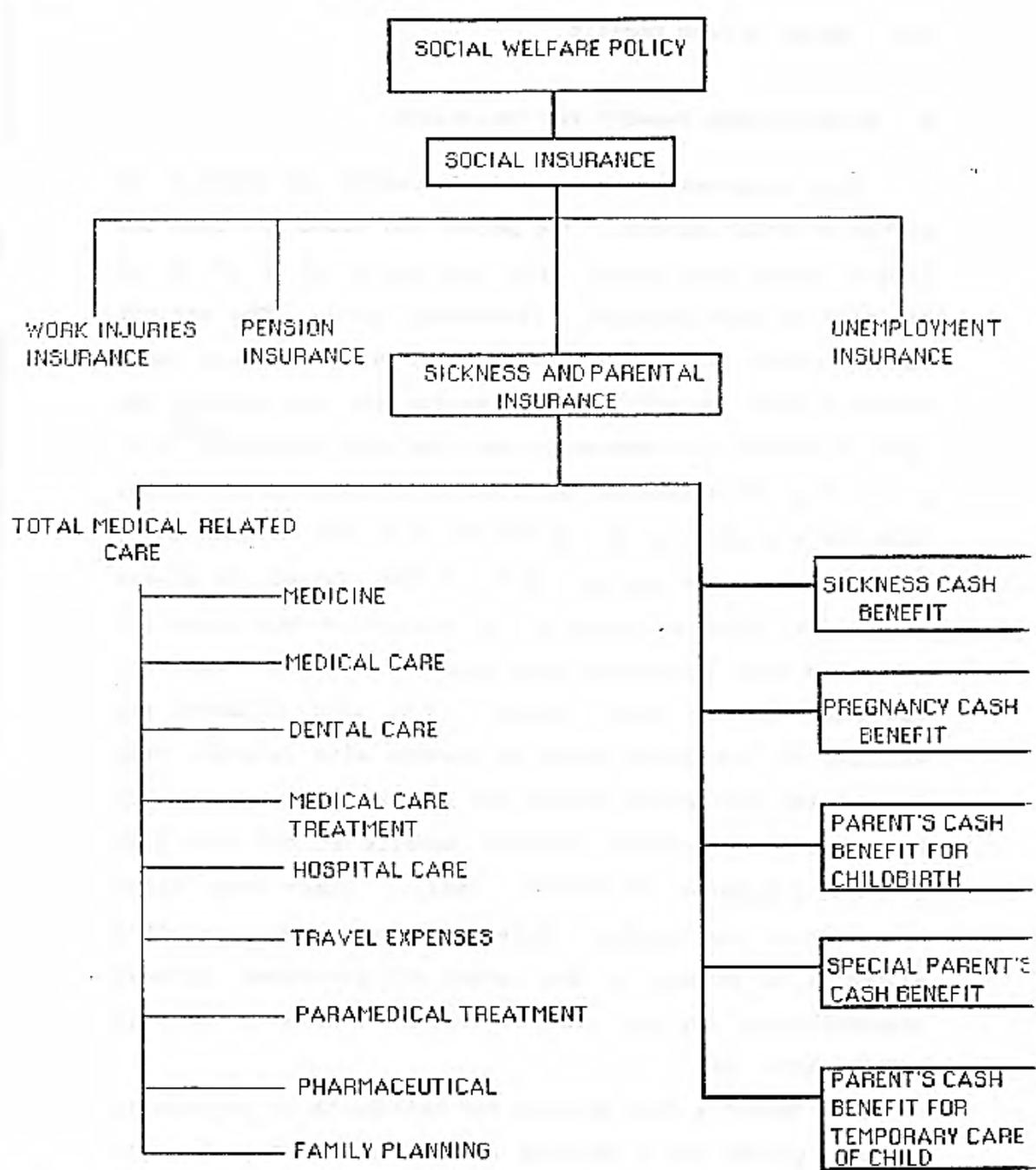
Figure 1 provides an overview of the structure of Sweden's Social Welfare system. As one part of the Social Welfare system, the entire Social Insurance program is composed of Sickness and Parental Insurance, Work Injuries Insurance, Pension Insurance and Unemployment Insurance.

The three component parts of the Parent's Cash Benefit, together with the Sickness Cash Benefit, the Pregnancy Cash Benefit, and various forms of "Total Medical Related Care", constitute the Sickness and Parental Insurance component of Swedish Social Insurance. Sickness and Parental Insurance amounts to a total of 34,452 Million Kronor, or approximately 25.8% of total Social Insurance expenditure. In turn, the Sickness Cash Benefit accounts for 11.5%, Total Medical Related Care accounts for 10.4%, and the three components of Parental Cash Benefit together comprise approximately 3.9% of total Social Insurance expenditure (see Figure 2).

Note that whereas Sickness and Parental Insurance expenditure is a significant proportion of total Social Insurance expenditure (approximately 25.8%), the three parts of the Parent's Cash Benefit in turn account for roughly 15% of Sickness and Parental Insurance expenditures (see Figure 3). The various forms of Parent's Cash Benefit therefore account for a sizeable government commitment to the entire Social Insurance scheme.

Finally, it is important to note that Sweden's Sickness and Parental Insurance scheme is overwhelmingly financed by employer contributions (84.4% of total revenue in 1984); State grants provide funding for the remainder (see figure 3). Therefore, while the Swedish government directly controls and maintains the program through comprehensive legislation, it is the employers who provide the predominant proportion of the revenue funding the programs.

**Figure 1, Swedish Social Welfare System**



Source: Social Insurance Statistics, Facts 1985, National Social Insurance Board, Sweden, p. 6.

## Parent's Cash Benefit

### Parent's Cash Benefit For Childbirth

This component of Parental Insurance is payable to either or both parents. The parent who withdraws from the labour force contingent upon the birth of a child is entitled to this benefit. (Kamerman, 1980). The periods during which the mother and father are entitled to a Parent's Cash Benefit for Childbirth are not exactly the same (Financial Assistance to Families with Children 1979, p7). Only the mother is entitled to a prenatal allowance, from the sixtieth day before the child is due (FAFWC, 1979, p8). As well, the mother - but not the father - is always entitled to parental benefits for twenty-nine days after the child has been delivered, regardless of whether she has the child in her care (FAFWC, 1979, p8). Fathers are entitled to ten day's leave of absence with Parent's Cash Benefit for Childbirth, around the time of delivery, even if the mother is receiving parental benefit at the same time (Social Insurance in Sweden, 1984). Other than these exceptions, the general rule is that the parent's allowance is payable to the parent who possesses primary responsibility for the care of the child once it is born (FAFWC, 1979, p8).

The Parent's Cash Benefit for Childbirth is payable to either parent for a maximum of 180 days. This benefit period must be utilized prior to the child reaching 270 days of age. One of the prerequisites for receiving Parent's Cash Benefit for Childbirth is that the parent must have had at least 180 days' continuous health insurance coverage before the actual or estimated date of confinement.

A general and basic measure of support is provided in the form of a guaranteed cash benefit level of Skr 48 per day (the value for March, 1986). In this way, non-working mothers are provided with a minimum base of financial coverage, provided that they have at least the 180 days health insurance coverage (Kamerman, 1980). An insuree whose earnings qualify him/her for a higher daily rate under the health insurance scheme will receive a correspondingly higher amount of Parent's Cash Benefit (FAFWC, 1979, p7). However, any cash benefit allowance over the guaranteed level is payable only if, for 270 days before childbirth, the parent has been entitled under the health insurance scheme to sickness allowance exceeding the Skr 48 per day amount.

Parent's Cash Benefit for working parents is wage-related. The gainfully employed parent is entitled to the benefit equaling ninety percent of the his/her daily earnings, subject to a maximum limit (Parental Insurance in Sweden-Some Data, 1977, p2). The benefit is also a form of taxable income, and comes with an entitlement to pension rights (FAFWC, 1979, p7). Full parent's allowance is payable in the event of complete incapacity; otherwise, the allowance is awarded at half the full rate (FAFWC, 1979, p8). Both parents can receive the Parent's Cash Benefit for Childbirth at half the full rate for one and the same day (FAFWC, 1979, p8).

Apart from the health insurance coverage outlined above, eligibility for this benefit is contingent only on birth or adoption of a child, and on a minimum period of residency in Sweden of six months (Kamerman, 1980). A medical certificate verifying pregnancy is required before the prenatal benefit is awarded (Kamerman, 1980). The eligibility for Parent's Cash Benefit for Childbirth is the same for natural, step and adoptive parents. One variation does exist, however, for adoptive parents. It applies for older children, aged seven to ten years who would not normally be covered under this benefit. For them, a special forty-five day parent allowance is provided (Kamerman, 1980).

## **Special Parent's Cash Benefit**

The second form of the Parent's Cash Benefit, the Special Parent's Cash Benefit, came into force on January 1, 1979 (FAFWC, 1979, p8). It entitles either parent to stay at home to care for the child on a full-time, half-time or quarter-time basis. This benefit is available for a maximum period corresponding to six months complete leave of absence, with wages replaced up to the maximum insured limit (FAFWC, 1979, p8). For example, if the leave is taken as half-days, the beneficiary will receive twelve months benefit at half the full rate. If the leave is taken as six-hour working days, the beneficiary will receive the benefit at a quarter of the full rate for twenty-four months. The benefit can also be taken in any combination of full-, part-, or quarter-time hours.

The Special Parent's Cash Benefit is payable up to and including the child's first year of school (which, in Sweden, is until the child reaches eight years of age) (Kamerman, 1980). For adopted children under eight years of age, this benefit is payable for 90 days (FAFWC, 1979, p9).

The current guaranteed minimum level of Skr 48 per full day applies to this benefit, as well. However, there is an exception to the rule. In the final third of the right to Special Parent's Cash Benefit (corresponding to one month's full leave of absence) the parent's allowance is paid out at an amount equaling the guaranteed level even if the parent qualifies for a higher rate of the sickness benefit (FAFWC, 1979, p9).

The benefit period for the Special Parent's Cash Benefit is equally divided between the mother and the father in a two-parent family, where either parent can assign his or her portion to the other at will (Kamerman, 1980). In utilizing either portion of the benefit, the parent must give notice of his/her intentions to his/her employer at least thirty days before beginning or concluding the leave (Kamerman, 1980). Each parent is entitled to no more than two separate periods of leave during each part of the benefit, thus preventing parents from dividing the leave into numerous, irregular periods of time (Kamerman, 1980).

## **Parent's Cash Benefit for the Temporary Care of Children**

This benefit was introduced in 1974 as part of the Parental Insurance scheme (Kamerman, 1980). Originally termed "sickness allowance for the care of an ill child", the benefit was modified in 1977 to enable a parent to stay at home to care for a sick child when the person normally caring for the child becomes ill (Kamerman, 1980); this is when the benefit acquired its new name. In addition to increasing the maximum eligible number of days of leave, other provisions were also introduced at this time.

This benefit, like the Parent's Cash Benefit for Childbirth, includes a job-protected leave and a cash allowance to replace foregone wages (Kamerman, 1980). However, the basis for obtaining the leave is different: parents who must temporarily withdraw from work to care for children may receive this form of parental benefit if the child is under ten years of age and the child is ill, the person normally caring for the child is ill, there is a childbirth in the family, or the child is to use health services or pre-school activities (PIS-Some Data, 1977, p4). This benefit can be taken in whole or half days (Kamerman, 1980).

The right to the Parent's Cash Benefit for Temporary Care of Children concerning an illness of the person normally caring for the child is unaffected by the issue of whether that person is a member of the family

(FAFWC, 1979, p13). If the usual caretaker is a home-maker or "stay-at-home spouse", the parental benefit will be payable to the other parent who must temporarily withdraw from the workforce in order to care for the child (PIS-Some Data, 1977, p4). Natural parents, as well as step- and adoptive parents are eligible for the benefit (Kamerman, 1980).

When the benefit was initially introduced, it covered a specified number of days per child (twelve days for one child, fifteen for two; eighteen for three or more) (FAFWC, 1979, p14). In 1979, this was increased to a maximum of sixty days per year, which is equal to the amount of time the individual worker is entitled to take off for his/her own illness (Kamerman, 1980).

Like the benefits described earlier, the Parent's Cash Benefit for Temporary Care of Children is wage-related and the benefit is equal to ninety percent of usual wages up to the maximum insured wage. This benefit is specifically designed to encourage and facilitate parent's participation in preschool, day care centre, and family day care programs (Kamerman, 1980).

### **Recent Changes to the Program**

Leave of Absence for Parents of Small Children is a new benefit that went into effect on January 1, 1979. According to Kamerman (1980), it entitles parents to a leave of absence from employment with full job protection (seniority and pension rights) until the child is eighteen months old. Parents are also entitled, under this benefit, to reduce their working hours to six hours per day until the child reaches eight years of age. This benefit provides job protection only, having no financial compensation attached to it.

### **Summary**

Parental benefits are popular, well known, and extensively used in Sweden (Kamerman, 1980). Information concerning individual rights to parental leaves and benefits is readily available through local social security offices, advertisements in daily newspapers, information spots on radio and television, as well as through employers and unions (Kamerman, 1980). The objective of national policy is to achieve full coverage and full take-up of the benefits among parents. Together the three components of Parent's Cash Benefit cover the periods at childbirth and the early years of a child's life as well as providing protection against illness of the child or caretaker.

It is obvious that Swedish policy extends beyond narrow focus on maternity alone, or even just on childbirth, and speaks more broadly to the issue of how adults will manage work and family life, especially when very young children who need and deserve the attention of their parents are involved:

The Swedish Parental Benefit represents the first attempt in any country to design a national policy directed at (a) becoming a parent (not just a mother) and (b) facilitating the simultaneous management of work and home responsibilities, for both men and women. (Kamerman, 1980, p45).

**Table 1, Maternity and Parental Leaves – Basic Data, 1982 Summary Table for Sweden**

**ELIGIBILITY OR QUALIFYING CONDITIONS**

Natural or Adoptive parent. Insured for 180 days for minimum cash benefit; worked in covered employment for 6 months, for leave. Only mother can use prenatal leave.

**DURATION OF LEAVE**

Nine months total; up to 60 days before childbirth. Benefit can be prorated as portion of days. Three additional months available at minimum flat-rate daily benefit.

**BENEFIT LEVEL OR RATE**

90% of wage up to maximum insured wage.

**JOB SECURITY**

Same or comparable job guaranteed, including seniority and pension rights.

**ADDITIONAL BENEFITS**

Right to unpaid leave until child is 18 months of age. Right to work 6-hr day (without extra compensation) until child is 8.

SOURCE: Kamerman, Kahn and Kingston, *Maternity Policies and Working Women*, 1983, p22).

## **Utilization of Parental Leave Benefits**

### **Utilization of Parent's Cash Benefit for Childbirth (FP)**

The Parent's Cash Benefit for Childbirth is a benefit covering all women who give birth. Practically all families make full use of the benefit (FAFWC, 1979, p10), where the one to two percent making less than full use of the benefit are generally those who have high level positions in the labour force and cannot stay away longer (Kamerman, 1980). It is common to find that mother's utilize part of the benefit period prior to the birth of the child.

Tables 2 and 3 outline the number of insureds drawing the Parent's Cash Benefit for Childbirth (FP) and the number of benefit days utilized for this benefit. Table 2 illustrates that the number of insured persons drawing the Parent's Cash Benefit for Childbirth reached its highest level in 1975, the year after it was introduced, and declined slightly for the next nine years. The number of benefit days being drawn in connection with childbirth (see table 3) also demonstrate this same trend.

Of those insured persons who drew the Parent's Cash Benefit for Childbirth, the overwhelming majority were the mothers in the family. The proportion of total users who were mothers has remained very constant over the 10 year period at roughly 94% of total users. The mothers also tended to be the ones who utilized the largest proportion of the benefit days taken. These findings are to be expected since the benefit is to provide assistance to parents in connection with the actual birth of a child.

In contrast, fathers have participated in the Parent's Cash Benefit for Childbirth to a minor extent. Since its inception in 1974, the proportion of fathers of those drawing the benefit has increased slightly, from 4% of users in 1975, to a peak of 7% in 1977, only to decline to 5.7% in 1984. Father's usage of the proportion of benefit days over the years has changed very little, remaining at approximately 2% of total benefit days drawn.

### **Utilization of Special Parent's Cash Benefit (SFP)**

Table 2 indicates that the number of insured persons receiving Special Parent's Cash Benefit (SFP) is roughly twice as great as the number drawing Parent's Cash Benefit for Childbirth (FP). The proportion of users who are fathers has remained fairly constant at approximately 28% of all persons receiving the benefit since the benefit was introduced in 1979. This benefit has elicited a much greater usage rate by the fathers, compared to FP, and the fathers tend to be using a higher proportion of the benefit days (approximately 9% of all persons receiving the benefit) than they used with Parent's Cash Benefit for Childbirth (see table 3). Again, the overwhelming majority of insured person's drawing the Special Parent's Cash Benefit and utilizing the benefit days taken were women, at roughly 70% of total users and 90% of benefit days, respectively.

Approximately two-thirds of all fathers utilizing some portion of the Parent's Cash Benefit are private sector employees (FAFWC, 1979, p10). However, public sector employees tend to take a greater number of leave days, thus making more intensive use of the opportunity of caring for their children (FAFWC, 1979, p10). One of the reasons for this trend of more intensive utilization levels by public sector

employees is that public sector employees are entitled to full net wage replacement, even if it is higher than the maximum wage replacement under social security (Kamerman, 1980).

Father's participation rate in the utilization of Parent's Cash Benefit is greatly dependent on the employment status of the mother. It appears that the more advanced the occupations of the mothers and the higher their earnings, the greater is the proportion of fathers partaking of at least some part of the full-time leave. The number of fathers utilizing some portion of the Parent's Cash Benefit scheme is two or three times as large in families where the mother is a "professional", in occupations such as "teacher", "nurse", or where she belongs to "specialist, senior position" categories compared to those families where the mother is a "non-professional", belonging to the "assistant staff" or "unskilled" categories (FAFWC, 1979, p11).

### **Utilization of Parent's Cash Benefit for the Temporary Care of Children (VAB)**

Table 4 indicates that the number of insured persons receiving Parent's Cash Benefit for the Temporary Care of Children (VAB) has steadily increased since 1975, such that the number of insurees utilizing the VAB has practically tripled in less than ten years. The number of benefit days taken has also increased dramatically over the 1975-1984 time period, becoming relatively stable in the 1980's. This pattern of drastic expansion in the number of benefit days utilized in the 1970's, followed by some levelling off in the early 1980's, has come about due to changes in the legislation, providing progressively more available benefit days.

The relative proportion of mothers and fathers availing themselves of the Parent's Cash Benefit for the Temporary Care of Children has become more similar over the years. Whereas the mother's utilization rate of the benefit has declined steadily over time (from 64.1% in 1975 to 55.4% in 1984), the fathers have increased their usage over those same years (from 35.9% in 1975 to 44.6% in 1984).

The proportion of benefit days taken by mothers and fathers has undergone interesting changes. Surprisingly, these changes have not corresponded in any predictable way to the legislative modifications in the program. The proportion of benefit days taken by mothers was at its peak in 1975 at 59.6%, immediately after its introduction in 1974, when every family was entitled to not more than 10 days annually in order to care for a sick child. This proportion declined during the next four years, while legislative changes were minimal, increasing once more to 56% in 1985, when the number of benefit days available was expanded to 60 days per child per year. The trend was different for fathers, however. When the benefit was first introduced, the fathers used only 40.4% of the total number of benefit days. This proportion increased steadily through the 1970's, reaching its peak of 53.3% in 1978, yet declined to 44% by 1984.

**Table 2, Insurees Drawing Parent’s Cash Benefit for Childbirth (FP) and Special Parent’s Cash Benefit (SFP) 1975-1984**

Year	# Insured Persons		Of Whom		# Insured Persons		Of Whom	
	Drawing FP	% Fathers	% Mothers	Drawing SFP	Fathers %	Mothers %		
1975	158000	4.0	96.0	--	--	--		
1976	153000	5.2	94.8	--	--	--		
1977	152000	7.0	93.0	--	--	--		
1978	141000	6.6	93.4	288000	27.1	72.9		
1979	143000	6.8	93.2	253000	31.5	68.5		
1980	146000	6.2	93.8	267000	30.4	69.6		
1981	142000	5.7	94.3	270000	28.7	71.3		
1982	140000	5.5	94.5	278000	28.1	71.9		
1983	138000	5.6	94.4	281000	27.8	72.2		
1984	141000	5.7	94.3	276000	26.6	73.4		

Source: Social Insurance Statistics – Facts 1985, National Social Insurance Board, Sweden, 1985, p 23.

**Table 3, Benefit Days for Parent’s Cash Benefit for Childbirth (FP) and Special Parent’s Cash Benefit (SFP) 1975-1984**

Year	# FP Benefit		Of Which		#SFP Benefit		Of Which	
	Days (1,000)	% Fathers	% Mothers	Days (1,000)	Fathers %	Mothers %		
1975	21245	0.9	99.1	--	--	--		
1976	20218	1.4	98.6	--	--	--		
1977	20182	2.2	97.8	--	--	--		
1978	16702	2.1	97.9	5512	10.8	89.2		
1979	16950	2.2	97.8	7131	11.0	89.0		
1980	17415	2.1	97.9	9606	10.8	89.2		
1981	16893	2.0	98.0	14218	8.5	91.5		
1982	16519	1.9	98.1	14331	8.7	91.3		
1983	16294	1.9	98.1	13940	9.1	90.9		
1984	16606	1.9	98.1	13848	9.0	91.0		

Source: Social Insurance Statistics – Facts 1985, National Social Insurance Board in Sweden, 1985, p 23.

**Table 4, Payments for Parent’s Cash Benefit for the Temporary Care of Children (VAB) 1975-1984**

Year	# Insured Persons Receiving Benefit	Of Whom		# Benefit Days	Of Whom	
		% Fathers	% Mothers		Fathers %	Mothers %
1975	232000	35.9	64.1	958000	40.4	59.6
1976	261000	36.4	63.6	1076000	40.6	59.4
1977	370000	42.8	57.2	1850000	46.8	53.2
1978	450000	47.8	52.2	2416000	53.3	46.7
1979	516000	48.8	51.9	2855000	52.8	47.2
1980	568000	47.7	52.3	3962000	48.4	51.6
1981	593000	46.7	53.3	4139000	47.1	52.9
1982	597000	45.8	54.2	4100000	46.2	53.8
1983	623000	45.2	54.8	4486000	44.5	54.5
1984	638000	44.6	55.4	4639000	44.0	56.0

Source: Social Insurance Statistics – Facts 1985, National Social Insurance Board, Sweden, 1985, p 25.

Whereas the number of children in the family has not significantly affected the utilization of the benefit, the age of the children does make a difference (Kamerman, 1980). Families with one child under one year old make little use of the benefit, probably because they are taking advantage of the Parent's Cash Benefit for Childbirth. The scheme is used more by those families with pre-school children over one year old than by families with children of school age. Single parents, on average, use the benefit slightly more than couples and a larger proportion of single parents than married couples took all ten days in 1976 (which was the maximum number of days available at that time).

In most families availing themselves of the Parent's Cash Benefit for the Temporary Care of Children, the mothers assume the majority of the responsibility for the nursing of sick children, regardless of the age of the child or the number of siblings in the family. However, in 1979, in approximately one-third of the families utilizing the benefit, fathers used at least one day of the available time (FAFWC, 1979, p15). In these families where the father participated at all in the benefit, they tended to utilize more than half the total number of days taken for caring for sick children. This indicates that once a father makes any use of the available benefit, there is a good chance that the benefit days will be shared fairly evenly between the parents (FAFWC, 1979, p15).

## Scope of Parental Insurance in Sweden

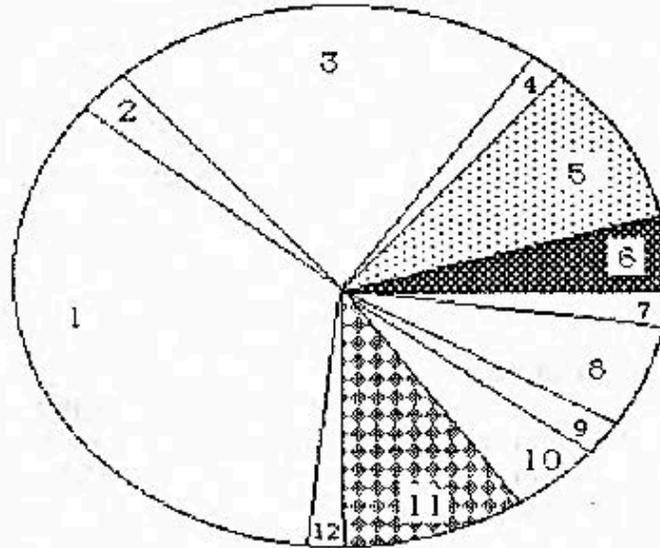
In figure 1, an overview of Sweden's Social Welfare System is presented. Social Insurance comprises the largest component of Swedish Social Welfare Policy. Social Insurance may be defined to be comprised of four branches: Sickness and Parental Insurance, Pension Insurance, Unemployment Insurance, and Work Injuries Insurance. Figure 1 illustrates the way in which Parental Insurance and the Parent's Cash Benefit fit into the overall Social Welfare system.

The level of expenditure on Social Insurance increased dramatically during the years 1965-1980; expenditures on all forms of Social Insurance rose from MSEK 40,120 in 1965 to MSEK 136,3200 in 1980 (in 1984 prices) (Social Insurance Statistics-Facts, 1985, p9). However, there was very little change in Social Insurance expenditure during the years 1980-1984. This trend of rapid increase until 1980, then stabilizing, was also evident when examining Sweden's Social Insurance expenditure as a percentage of GDP. Payments for all forms of Social Insurance were approximately 10% in the mid 1950's, underwent a rapid growth until 1980 when it peaked at roughly 30%, and stabilized just below 30% by 1985 (Social Insurance Statistics-Facts, 1985, p11).

Figure 2 outlines, in detail, the Social Insurance expenditure for the year 1984, with a complete breakdown into the component branches. The total cost of Social Insurance amounted to around MSEK 134,000. This aggregate figure can be separated into its components to arrive at a total expenditure on Sickness and Parental Insurance of MSEK 34,452, which accounts for approximately 26% of the total Social Insurance expenditure. The Parent's Cash Benefit portion alone accounts for almost 4% of the total Social Insurance expenditure. As indicated in Table 5, this proportion has remained roughly constant through 1980-1984 (Refer to table 5 for breakdown of Sickness and Parental Insurance for the years 1980-1984). Thus, through the early 1980's, no drastic changes have occurred to the expenditure on Parental Insurance, suggesting that the government has neither increased nor decreased its commitment to Parental Insurance.

The revenue and expenditure on Sickness and Parental Insurance for 1984 are presented in figure 3. The Sickness and Parental Insurance scheme is financed in such a way that 85% of costs are paid out of the social security charge levied from employer's contributions, while the remaining 15% is financed through the national budget (see figure 3A) (FAFWC, 1979). This relative breakdown between employer and the government contributions to the Sickness and Parental Insurance scheme has remained roughly constant through 1980-1984 (Refer to table 5 for breakdown).

Figure 2, Social Insurance Expenditure Shares for Sweden, 1984



**LEGEND**

		<u>Millions of Kronor (MSEK)</u>
1	Basic Pension	41417
2	Municipal Housing Supplement	4040
3	Supplementary Pension	36172
4	Partial Pension	1135
5	Sickness Cash Benefit	15439
6	Parental Insurance	5173
7	Work Injuries Insurance	1697
8	Child Allowance	5741
9	Maintenance Advance	2038
10	Other Benefits	3945
11	Total Medical Related Care	13930
12	Administration	3320
<b>Total Social Insurance Expenditure</b>		<b>133957</b>

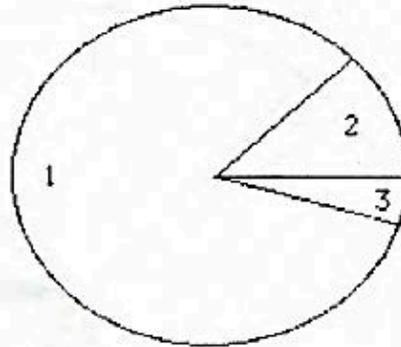
**Sickness and Parental Insurance Breakdown**

	<u>MSEK</u>	<u>%</u>
Sickness Cash Benefit	15349	11.5
Total Medical Related Care	13930	10.4
Parental Insurance	5173	3.9

Source: Social Insurance Statistics, Facts, 1985, National Social Insurance Board, Sweden, p 8.

Figure 3, Revenue and Expenditure on Sickness and Parental Insurance in Sweden, 1984

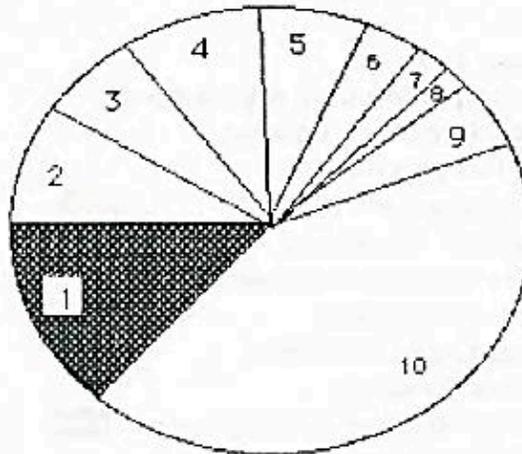
**3A. REVENUE 1984**



**LEGEND**

	<u>MSEK</u>	<u>%</u>
1 Employer's Contributions	32083	84.8
2 State Grants	5562	14.7
3 Other Revenue	180	0.5

**3B. EXPENDITURE 1984**



**LEGEND**

1 Parent's Cash Benefit	5173	6 Hospital Care	1062
2 Medicine	3490	7 Travel	610
3 Medical Care	3379	8 Other Items	460
4 Dental Care	3055	9 Administration	2881
5 Medical Care Treatment	1738	10 Sickness Cash Benefit	15346

Source: Social Insurance Statistics, Facts 1985, National Social Insurance Board, Sweden, p 8.

**Table 5, Sweden's Expenditure and Finance on Sickness and Parental Insurance, 1980-1984**

	1980	1981	1982	1983	1984
<b>Revenue</b>					
Employer's Contributions	27270	28543	30142	30115	32083
State Grants	4235	4466	4822	5107	5562
Admin. Revenue	140	153	178	211	180
<b>Total</b>	<b>31645</b>	<b>3163</b>	<b>35433</b>	<b>35433</b>	<b>37825</b>
<b>Expenditure</b>					
Sickness Cash Benefit	12631	12830	13296	13738	15346
Parent's Cash Benefit					
For Childbirth	2994	3501	3880	3944	4290
For temporary Care of Child	545	634	685	790	883
Medicine	2326	2403	2919	3362	3490
Medical Care	2487	2643	2980	3171	3379
Dental Care	2174	2446	2634	2699	3055
Medical Care Treatment	1255	1345	1599	1775	1738
Family Planning	53	54	59	63	67
Hospital Care	819	856	948	1032	1062
Travel	554	482	526	609	610
Other Compensation	293	332	375	413	460
Administrators	2243	2400	2422	2662	2881
<b>Total</b>	<b>28374</b>	<b>29926</b>	<b>32323</b>	<b>34258</b>	<b>37261</b>
<b>Surplus</b>	<b>3271</b>	<b>3237</b>	<b>2819</b>	<b>1175</b>	<b>564</b>

Source: Social Insurance Statistics – Facts 1985, National Social Insurance Board, Sweden, p 16.

# MATERNITY LEAVE IN CANADA

## Background

Canada's labour force has experienced drastic transitions in the past 30 years (Maternity and Child Care Leave in Canada (mCCLC), 1984). The rapid increase in female participation in the workforce, particularly married women, is paramount among these changes. In 1951, only 11% of married women had jobs in the labour force; 30 years later the number of married females employed outside the home grew to approximately 51% (Townson, 1983). Young married women's participation rates were significantly higher than this. By 1981, 67% of all Canadian women aged 20-44 were participants in the workforce, while 62% of married women in these prime childbearing years were in the labour force (Townson, 1983).

According to Ciruiak and Sims (1980) the labour force projections for the next 15 to 20 years suggest that by the year 2000 between 80% and 85% of women in the 20-44 year age group will be participants in the labour force (Cited in Townson, 1983). Most of these women will probably be-married, with earnings that contribute substantially to the family's income.

One outcome of this expanding female workforce is a, movement away from the traditional male/female divisions of responsibility toward a more cooperative approach to child-rearing and domestic responsibilities (MCCLC, 1984). In fact, the typical Canadian family, where the father is the primary breadwinner while the mother stays at home to care for the children and the house, has been displaced by the two-parent, two-earner family (Townson, 1983).

In recent years, some policy initiatives have been undertaken in order to facilitate the full and equal participation of women in the Canadian labour force (Townson, 1983). For example, programs such as equal pay for work of equal value, equal employment opportunity, and affirmative action have been introduced in order to approach the goal of equality (Townson, 1983).

Despite the obvious potential importance of a comprehensive parental leave policy in Canada, to enable both parents to combine work and family responsibilities simultaneously, maternity leave and benefit provisions have only recently begun to be developed. Canada's maternity policy is much further behind those of most other industrialized countries (Report of the Task Force on Child (RTFCC) Caren 1986, p19). Hence, women in the labour force are still penalized as a result of their childbearing role (Townson, 1983).

For example, until recently some Canadian working women in the federal public service were required to quit their jobs upon entering into marriage. Prior to the end of 1955, the regulations of 1918 Civil Service Act permitted the federal government (as an employer) to hire married women only in crisis periods or when no other qualified persons could be found to do the work (Townson, 1983). As a result, the number of permanent full-time working women on staff was so small as to make a maternity leave policy unnecessary (RTFCC, 1986, p232). Due to a change in hiring policy in 1955, the number of women in the public service workforce expanded, thus resulting in a need for a maternity policy (RTFCC, 1986, p232). Several provincial governments followed the federal government's lead, providing their civil servants unpaid maternity leave.

In this section, current parental leave and benefits in Canada will be described and assessed. Some of these provisions are statutory, hence they are guaranteed to all workers; others are provided by the employer through collective agreements or on an informal basis.

## **Birth and Adoption Leave and Benefits - Introduction**

In Canada, it is the minimum employment standards legislation which provides workers with the right to take unpaid leave of absence from work in connection with the birth or adoption of a child (RTFCC, 1986, p19). The majority of employees in Canada work in companies that are under the jurisdiction of provincial governments; hence, the terms of their employment, particularly leaves, are regulated by provincial law (RTFCC, 1986, p19). However, it is the federal government which administers the benefits during maternity leave since the provinces do not provide these benefits. In Canada, the provision of benefits is unique in that it is provided through the Unemployment Insurance system, not the Health Insurance scheme, as is the case in the majority of industrialized countries (Kammerman, 1980). Although both leave and benefits are provided in each province and the Yukon, it is not unusual to find that a large proportion of workers are, in practice, disentitled from either the leave or benefits (RTFCC, 1986, p21). This is as a result of the existence of exclusionary rules, as well as a mismatch between conditions of some provincial employment standards legislation and federal Unemployment Insurance regulations (RTFCC, 1986, p22).

The discussion to follow will be divided into two parts. In the first section, I will examine the provision of leave connected with the birth or adoption of a child to which employees in each province or territory are entitled. This will include an examination of the qualifying conditions, and the exclusions and limitations that disentitle many employees from engaging in the leave. The second section will outline the terms and conditions applying to maternity benefits provided under the Unemployment Insurance Act.

Before proceeding, it is important to clarify the distinction between leave and benefits. Leave, which can be either paid or unpaid, is a period for which an individual is entitled to an approved leave of absence from work (MCCLC, piii). Benefits are monetary awards paid to an employee. These are usually granted when the employee is absent from work on unpaid leave (MCCLC, piii).

## **Maternity Leave Provisions\***

\*Note: This section is based primarily on information from the following publication: Canada, Task Force on Child Care. Report of the Task Force on Child Care. Ottawa: Status of Women, Canada 1986.

## **Statutory Provisions for Leave on the Birth of a Child**

Employment standards legislation and labour codes across Canada lay out the minimum standards for leave on the birth or adoption of a child (see table 7) (RTFCC, 1986, p22). The Canada Labour Code is the federal legislation, covering about 10% of the labour force (Kammerman, 1980). It regulates the terms and conditions of employment for some 650,000 workers working in banking, railways, shipping, air transport, broadcasting, highway transport and grain elevators (RTFCC, 1986, p22). The vast majority of Canadian employees are in jobs which are under the jurisdiction of the province or territory; hence, they

are covered by the employment standards set out in provincial and territorial legislation. Separate legislation is also provided in each provincial jurisdiction to cover public servants.

The conditions with respect to the qualification period, the exclusionary rules, the timing of the leave and the extent of job security to which a worker is entitled when on leave are summarized in Table 6. These conditions vary from one jurisdiction to another. Each province and the Yukon provide 17 or 18 weeks of guaranteed leave, which corresponds with the Unemployment Insurance benefit period. Only the Northwest Territories contains no provision for maternity leave in its employment standards legislation. In March, 1985, the most recent amendments with respect to maternity were made to the Canada Labour Code, making the Canada Labour Code the most progressive legislation in the country (RTFCC, p22). The federal legislation has become somewhat of a standard for provincial governments to follow (Kammerman, 1980). The legislation entitles all female employees to a maternity leave of 17 weeks, up to 11 weeks of which may be taken before the birth of the child, provided that they have completed six month's employment with the same employer. As well, any employee, be it the father, an adopting parent, or the mother who has just completed a maternity leave of 17 weeks, who has the custody or care of a newborn child, is entitled to an additional 24 weeks of leave. This leave period may be shared between the parents, if they so choose, provided that they are both covered under the Canada Labour Code (RTFCC, 1986, p22). Not only must the employee be reinstated in his or her former position (or an equivalent one to it) upon return from this leave, but wage increments, benefits and seniority are accrued during this period of absence (RTFCC, 1986, p22). The legislation in most jurisdictions requires employers to reinstate women who have availed themselves of maternity leave, in the same or a comparable job with equivalent wages and benefits (Kammerman, 1980) (see table 6). The legislation in the federal jurisdiction and in Quebec go further, while the Northwest Territories provides no job protection at all to a woman who takes leave for the birth of a child. There is no requirement in any of the jurisdictions for employers to pay employees during maternity leave or to 'top-up' Unemployment Insurance benefits to equal an employee's full salary (RTFCC, 1986, p23). Only two provinces, Nova Scotia and Saskatchewan, provide a statutory provision for seniority retention during maternity leave.

The majority of the jurisdictions provide no statutory provisions requiring employers to allow fathers to engage in leave in connection with the birth or adoption of a child. The exceptions are: Saskatchewan, which allows fathers to take an unpaid leave of six weeks in the three-month period surrounding the birth; Manitoba, which allows fathers to take six weeks leave during the three months following the birth of a child or immediately following the expiration of the mother's maternity leave; and Quebec, which provides two days of leave without pay for fathers on the birth of the child (RTFCC, 1986, p23) (See table 8).

Three jurisdictions, British Columbia, Newfoundland and New Brunswick, have legislation that imposes constraints on the scheduling of maternity leave. In these provinces, there is a specific portion of the leave designated to the pre-natal period which cannot be applied to the post-natal period. Therefore, if a woman in one of these provinces decided to commence her leave during the week of the child's birth, she would have forfeited her right to the pre-natal leave, only receiving the six weeks of post-natal leave. All other jurisdictions allow the woman the flexibility to choose when to begin her leave (*see* table 6).

Qualifying periods were originally adopted to protect employers from having to pay maternity leave to women perceived not to have serious work commitments. Hence, in most jurisdictions, maternity leave is

awarded only to those women who have an employment record with the same employer for a specified period of time (RTFCC, 1986, p23). These qualification periods range from 20 weeks in Quebec to one year plus 11 weeks in Ontario. A minimum of 12 months or more of continuous employment with the same employer is a prerequisite for leave entitlement in eight of the jurisdictions. British Columbia and New Brunswick do not contain any qualifying conditions; thus length of employment with the same employer has no bearing on the entitlement to maternity leave (see table 6).

The requirement to demonstrate a period of continuous employment with the same employer has the detrimental effect of disqualifying many workers from entitlement to the leave. Those who are hard hit by this requirement include seasonal workers, part-time workers, as well as those women who have recently changed jobs. In addition, in all jurisdictions except Quebec, a strike or lockout can disentitle women from maternity leave rights. Finally, an extended period of illness can be considered a large enough break in employment to disqualify an employee from the right to leave (RTFCC, 1986, p23).

The exclusion of certain classes of workers is a common provision in most jurisdictions. Only in Manitoba, the Yukon and the federal jurisdictions are all workers eligible for maternity leave. The classes of workers generally excluded are farm workers, domestic workers and students on work programs (see table 6).

The aforementioned maternity leave provisions can be usefully summarized as follows: the vast majority of Canadian female employees are entitled to a 17-18 week leave in connection with the birth of a child. The exclusions include employees who work in the Northwest Territories, and in most jurisdictions domestic workers, farm labourers, students on work programs, and workers who have changed jobs within the last year. Some form of job protection is provided during the maternity leave in all jurisdictions except New Brunswick and the Northwest Territories. Finally, the only jurisdictions offering fathers the option of remaining at home to care for the newborn child are Saskatchewan, Manitoba and the federal jurisdiction.

### **Statutory Leave Provisions for Adoption of a Child**

Canada's parental leave system has been relatively unresponsive to the needs of adopting parents (RTFCC, 1986, p24). Most provinces have a set of regulations surrounding the adoption of a child enforced by adoption authorities that do not coincide with the amount of leave offered through the legislation. That is, the authorities responsible for arranging adoptions require that one parent remain at home with the adopted child for a least six months in order to facilitate the establishment of a relationship between them as well as to integrate the child into the new family. However, in no jurisdictions, except the federal jurisdiction, are employees entitled to the sufficient amount of leave to fulfill this requirement.

The major provisions for adoption leave offered by the various jurisdictions, provided in detail in table 8, are the following: the 1985 amendments to the federal Canadian Labour Code entitle adopting parents to 24 weeks of child care leave. Labour legislation in Saskatchewan and Manitoba allow either parent to take six weeks of unpaid leave for adoption. Prince Edward Island's legislation entitles female employees only six weeks of unpaid leave.

Nova Scotia extends, to mothers, five weeks of leave provided that the adopted child is under five years old. Quebec allows two days for both parents. The remaining jurisdictions do not have any statutory provisions entitling their workers to leave in connection with the adoption of a child. Hence, in the jurisdictions where no statutory leave is provided or the adopting parent takes a longer leave than is provided for in the legislation in order to be in accordance with the requirements set forth by the adoption agencies, these employees may find themselves without a job when they re-enter the labour force.

## **Maternity Benefits**

Since 1971, benefits for maternity have been available only through the Unemployment Insurance scheme. This came about due to the realization that not only can employee's earnings be interrupted by layoff, job loss or illness, but also by maternity (RTFCC, 1986, p24). The Unemployment Insurance (U.I.) program plays a major role in protecting the economic security of Canadian workers, as is evident from the magnitude of funds spent on Unemployment Insurance (see table 9). Although some other components of Canada's social security system are under provincial jurisdictions, Unemployment Insurance is an exclusive responsibility of the federal government. This is a reflection of the federal responsibility for the overall management of the economy and policies relating to unemployment issues (RTFCC, 1986, p25).

Although there seems to be a large monetary commitment to maternity leave, the proportion of Unemployment Insurance funds allocated to maternity leave has remained fairly small, ranging from 3.8% in 1974 to 5.3% in 1980 (see table 9). The Unemployment Insurance Act provides 15 weeks of benefits during a 17-week leave surrounding the birth or adoption of a child. A two week waiting period must elapse before the cash benefit is paid under Unemployment Insurance (Kamerma, 1980). Although the administration of these benefits is undertaken by the federal government, the benefits are financed exclusively by employer-employee contributions (RTFCC, 1986, p25).

Eligibility for the U.I. maternity benefit is contingent on a "major" labour force attachment (Kamerma, 1980). All workers who have worked at least 20 weeks in the past year are entitled to collect these benefits. However, the leave provisions imposed by the provincial jurisdictions may negate this benefit. Thus, although a mother may be entitled to collect Unemployment Insurance benefits on the birth of a child, her entitlement to leave her job for this purpose is contingent on her meeting the eligibility requirements imposed by provincial employment standards legislation. Consequently, the proportion of employed women who give birth and claim U.I. maternity benefits is only 55%. Of those claiming U.I. benefits for maternity, approximately 23% go on to collect regular U.I. benefits after their maternity period, while they search for new employment (RTFCC, 1986, p25).

This low take-up figure underscores the general problems associated with the U.I. program in its role of providing paid parental leave to workers. Some of these problems are the following: firstly, many workers are either excluded from U.I. coverage or do not meet the eligibility requirements; secondly, the benefits are payable for only 15 weeks, and the income replacement level of 60% is quite low; thirdly, there seems to be both a lack of awareness amongst employees that maternity benefits are available through the U.I. system, and a reluctance to collect the benefit because of the stigma attached to Unemployment Insurance in Canada. Finally, it has been suggested that because many women cannot live on the low level of

income replacement provided by U.I., they instead take a very short leave from work by utilizing their vacation and sick leave entitlements, rather than the maternity leave benefit (RTFCC, 1986, p26).

### **Excluded Workers from Unemployment Insurance Benefits**

Despite its apparent universality, not all workers qualify for U.I. benefits. Although, since 1984, adopting fathers have been eligible to collect the benefit, natural fathers are still unable to claim U.I. benefits if they choose to take a leave of absence from their jobs in order to care for an infant (RTFCC, 1986, p27). Part-time workers who either earn less than 20% of the maximum weekly insurable earning or who work less than 15 hours per week are also not qualified to collect U.I. benefits.

Self-employed individuals, because they do not contribute to U.I., are ineligible for coverage under the system. This category of "self-employed" includes not only the professionals and entrepreneurs, but also those individuals working on a contractual basis, such as seasonal university lecturers and teaching assistants, as well groups such as some piece workers, taxi drivers and agricultural workers. Finally, the U.I. Act excludes from coverage the spouses of self-employed business people, even when they are salary recipients of the business. This exclusion eliminates (from coverage) some 500,000 Canadian women who work in their husbands' firms (RTFCC, 1986, p27).

### **Qualifying Conditions for Unemployment Insurance Benefits**

A woman is required to have worked for 20 weeks of the previous 52 weeks in order to qualify for the maternity benefit under U.I. This is the same time period as is applied to the sickness benefit, which is also claimed through Unemployment Insurance. In contrast, the criterion for receiving regular Unemployment Insurance benefits is that a worker must have been employed and paying contributions for only 10 to 14 weeks in the last 52 weeks, depending on the region where the employee lives. The shorter qualifying period (10 weeks) applies in high unemployment areas, where it is difficult for the workers to accumulate the required number of weeks in order to collect U.I. The rationale behind the longer qualifying period for maternity and sickness benefits is to ensure that sufficient workforce attachment has been demonstrated before the claimant can collect U.I. However, the same areas of high unemployment making it difficult for workers to accumulate the required 10 week qualifying period affect those women taking maternity leave. For them, failure to accumulate the requisite 20 weeks may eliminate them from the pool of workers eligible to collect U.I.

Although a Federal Task Force on Unemployment Insurance, in 1981, reported that separate requirements for different kinds of claims were not justified, the current qualifying period for maternity leave in Canada remains at 20 weeks.

### **Adoptive Parents and Fathers**

In 1984, coverage under the Unemployment Insurance system was extended to adoptive parents, enabling either the mother or the father of the adopted child to collect the benefit (RTFCC, 1986, p28). However, even though benefits are currently available under the federally administered Unemployment Insurance Act, many adopting parents are unable to utilize them, since the provincial laws do not entitle these parents to take leave for the purpose of adoption.

## **Income Replacement Level**

The benefit level offered by U.I. is relatively low. Benefits equal 60% of the worker's usual wage, up to a maximum weekly limit. They are payable for 15 weeks, after a two-week waiting period (FRTFCC, 1986, p28). In 1985, the maximum benefit was \$276 per week, which was calculated as 60% of the maximum insurable earnings of \$460 per week. However, most women receive less than the maximum benefit while they are on maternity leave because women, on average, earn less than the maximum insurable earnings limit (RTFCC, 1986, p28). For example, in 1984, while the maximum weekly benefit was \$255 per week, the average weekly benefit paid to those who received maternity benefits was \$179, 30% less than the maximum weekly benefit. Due to the two week waiting period, the actual income replacement is even lower than 60%.

Individuals who earn regular U.I. benefits are permitted, without penalty, to earn additional income equivalent to 25% of their weekly earnings in order to supplement their UI benefits. Women on maternity benefits, however, have no such privileges. They are not permitted to earn any additional income while on leave:

Benefits that replace 53 percent or less of a new mother's regular earnings, can, in the view of the Task Force, hardly be considered sufficiently generous to satisfy our government's commitment to employment equity for women or to support family life. (RTFCC, 1986, p29).

## **Maternity and Adoption Leave and Benefits in Collective Agreements**

The range of provisions available through collective agreements is quite diverse (MCCLC, 1983, p12). Some Canadian workers are more fortunate than the rest, receiving fully-paid maternity leave that has been negotiated through collective bargaining. A typical formula for collective agreements has the employer paying the worker's full salary during the two week waiting period, and then paying the difference between the U.I. benefits and full salary for the next 15 weeks (RTFCC, 1986, p30). A Supplementary Unemployment Benefit (SUB) plan is established for those employers who have embarked upon a fully-paid maternity or parental leave (RTFCC, 1986, p31). The SUB plan is registered with the Unemployment Insurance Commission so as to ensure that the additional benefits paid by the employer during the leave are not regarded as earnings that would have the detrimental effect of reducing U.I. maternity benefits.

The statutory minimums on maternity leave and benefits described in the previous sections are surpassed by a number of collective agreements. A Labour Canada survey in -1984 indicated that in approximately 72% of all collective agreements covering 500 or more employees, a maternity leave provision was present, up from 59% in 1978. (Provisions in Major Collective Agreements in Canada Covering 500 or More Employees, 1984). Of those agreements that include maternity leave provisions, 71.4% exceed legislative limits, while almost all specify that the duration of leave ranges from 17 weeks to 26 weeks or more. Fifty-five percent of these collective agreements allowed at least six months' unpaid leave, and 18% grant pay during at least part of the leave period over and above U.I. (up from 5% in 1978). Thirty-two percent had a provision for paternity leave, generally in the form of a few days off with pay at the birth of a child, and 24% offered a few days off with pay for the adoption of a child. However, only 4.3% of agreements in 1984 had provisions for paid maternity leave. Finally, forty-two percent of the collective

agreements specify retention of seniority during maternity leave, while another 33% allow accumulation of seniority.

It is important to keep in mind that less than 25% of women in the labour force are covered by collective agreements (Women in the Labour Force, Part III, A Variety of Facts and Figures, 1983, p2). Therefore, the potential benefit of these collective bargaining agreement provisions for women is extremely limited.

### **Extended Child Care Leave**

In the previous sections, I have discussed the leave and benefits available to Canadian workers surrounding the birth or adoption of a child. There are a number of workers who, for one reason or another, wish to take an extended period of leave to care for the newborn child. Some employers in Canada do provide their employees with the option of extending their leave for a few weeks beyond the standard 17-18 weeks (RTFCC, 1986, p35). This additional leave is always unpaid, but the employee's job remains secured. In the section that follows, I will outline the existing statutory and contractual provisions which surround parent's extended maternity leaves.

The only jurisdiction requiring employers' to provide extended child care leave is the federal jurisdiction, under the Canada Labour Code. The Canada Labour Code provides 24 weeks unpaid leave to care for a child to either parent who has the custody or care of the child (RTFCC, 1986, p35). If both parents are employed under the federal jurisdiction, the leave may be shared between them. Salary increases, seniority and benefits continue to be accrued during this time of extended leave.

This leave may be taken after the initial 17 week maternity period ends by mothers who have just given birth and by either adopting parent (RTFCC, 1986, p35). Thus, natural mothers and both adoptive parents are entitled to utilize a total of 41 weeks of leave, and to collect 15 weeks of U.I. benefits. Natural fathers, on the other hand, are entitled to take only 24 weeks of leave with no benefits. In all other jurisdictions, besides the federal jurisdiction, employers are only obligated to re-employ those employees who have taken the statutory 17 or 18 weeks of childbirth or adoption leave. Finally, some collective agreements contain clauses which provide for extended leaves, even when the legislation does not.

### **Leave for Family Responsibilities**

Very few Canadian employees are entitled to take leave for family responsibilities, such as caring for a sick child, taking a child to medical and dental appointments, attending school events, etc. To date, none of the labour standards legislation in Canada require employers to provide paid or unpaid leave to employees for the purposes of tending to such essential family responsibilities (RTFCC, 1986, p36). Thus, in families where both parents or the sole parent is employed, taking time off for any of these common events could result in heavy penalties, including job loss.

### **Conclusion**

This chapter has examined the existing parental leave provisions in Canada covering birth, adoption, extended child care leave, and leave for family responsibilities. The results are not very impressive. Canada's parental leave policy compares unfavorably with most Western industrialized countries. Canada

provides a brief four-month period of leave to most women workers, with minimal income replacement. A difficulty arises because Canada's maternity benefits are provided federally, under the Unemployment Insurance Act, whereas entitlement to leave is generally provided under the provincial employment standards legislation. An employee is entitled, in most jurisdictions, to take maternity leave only if she has worked for the same employer for at least a full year. As well, most jurisdictions disentitle several groups of employees - farm labourers, domestic employees, students, the self-employed and their spouses working in the same enterprise - from utilizing the leave and/or benefits.

Employees who do qualify for the benefits under U.I. must take 17 weeks of leave to collect 15 weeks of benefits. This results in an effective replacement income, during the 17 week leave for maternity, of only 53% for most claimants, and even less for those women who take shorter leaves or whose incomes exceed the maximum insurable earnings limit. Financially speaking, these cannot be considered as incentives for pregnancy and adoption.

As a consequence of the numerous exclusions, restrictive conditions and low benefit level, U.I. benefits for maternity are only being claimed by about half the women who give birth each year. Of these claimants, roughly one-quarter go on to collect regular U.I. benefits while they seek re-employment. The situation is even more dismal for adoptive parents and natural fathers who are ineligible, in most jurisdictions, to take leave and/or collect benefits.

Only the federal jurisdiction entitles its employees to an extended child care leave on the birth or adoption of a child. Extremely few Canadian workers are entitled either to leave for family responsibilities or have access to birth or adoption leave at the regular rate of pay. It is evident that Canada's parental leave policy is in need of improvement. In the following section, I shall examine what, if any, lessons can be learned from Sweden's successful experience with parental leave in order to improve Canada's existing policy.

**Table 6, Maternity Leave Provisions, 1985 Summary Table for Canada**

Jurisdiction	Excluded Workers	Qualifying Period	Maximum Basic Leave	Reinstatement
Canada -mostly inter-provincial companies	none	12 months of continuous employment	17 weeks: up to 11 weeks may be taken before, up to 17 weeks after	Same or comparable position
Canada – public service	none	6 months of continuous employment with the same employer	17 weeks: up to 11 weeks may be taken before the birth.*	Same or comparable position with not less than the same wages and benefits
Alberta – labour	Domestic workers in private residences; farm labourers	12 months of continuous employment with the same employer	18 weeks: up to 12 weeks may be taken before the birth	Same or comparable position with not less than the same wage and benefits
Alberta – public service	none	12 months of continuous employment	17 weeks: this is a minimum limit on leave. May take between 17 weeks and 6 months	Same position or one in the same class in the same department.
British Columbia – labour	Specified professionals and salesmen; students in work programs; workers employed in private residences; disabled or infirm persons; persons receiving income assistance while participating in an employment program; artists, musicians, performers or actors; student nurses.	none	18 weeks: up to 12 weeks may be taken before the delivery, and no more than six weeks after	Some or comparable position with all increments to wages and benefits as if leave had not been taken
British Columbia – public service	none	An initial probationary period	6 months: up to 9 weeks before delivery to a max 6 months	Same position or one of equal rank and salary
Manitoba – labour	none	12 months of continuous employment prior to application for leave	17 weeks: up to 11 weeks before birth and no less than six weeks after	Same or comparable position with not less than the same wages and benefits.

		with the same employer		
Manitoba – public service	none	12 consecutive months of employment	17 weeks: up to 11 weeks before birth.	Same or comparable position with same wages and benefits.
New Brunswick – labour	Domestic workers in private residences; farm workers; children employed by a parent or guardian	none	12 weeks: ** up to six weeks before birth and six weeks after, up to a maximum of 17 weeks	Not specified
New Brunswick – public service	none	none	5 months: 2 months before delivery and 3 months after	Not specified
Newfoundland – labour	Live-in domestic workers; employees qualified or trained in certain prescribed occupations	12 months of continuous employment with the same employer	17 weeks: up to 11 weeks before, no more than six weeks after birth	Equivalent wages, duties, benefits and position as before the leave began
Nova Scotia – labour	Domestic servants; students in certain fields; professionals; teachers	12 months of continuous employment with the same employer	17 weeks: up to 11 before, six weeks after birth	Guaranteed resumption of work; no loss of benefits or seniority accrued before the leave
Nova Scotia – public service	none	At least one years service	18 weeks: up to 11 weeks before with a minimum of 7 weeks after	Same position with no loss of seniority or benefits
Ontario – labour	Students in approved work programs; inmates of provincial correctional institutions; offenders performing work under court orders	12 months and 11 weeks of employment before expected date of birth with the same employer	17 weeks: up to 11 weeks before, no less than six weeks after	Same or comparable position with not less than the same wages at the time her leave of absence began
Ontario – public service	none	More than one year service	17 weeks: up to 11 weeks before, no less than six weeks after	Same or comparable position with all wage and benefits as if leave had not been taken

Prince Edward Island – labour	Farm labourers	12 months of continuous employment with the same employer	17 weeks: up to 11 weeks prenatal, no less than six weeks after	Same or comparable position with all wage and benefits as if leave had not been taken
Prince Edward Island – public service	none	none	4 months	Not specified
Quebec – labour	Labourers on farms with three employees or less; day care domestics; students employed in a job induction program	20 weeks of employment with the same employer in the last 12 months before the leave	18 weeks: up to 16 weeks before and no less than two weeks after	Same position with all increments to wages and benefits as if leave had not been taken.
Saskatchewan – labour	Farm labourers; ranching or market gardening employees.	12 months of continuous employment with the same employer	18 weeks: up to 12 weeks before birth and no less than six weeks after	Same or comparable position at not less than the wages, benefits and seniority accrued before the leave began
Saskatchewan – public service	none	12 consecutive months	6 months: 3 months before delivery and 3 months after.	Same position
Yukon – labour	none	12 months of continuous employment with the same employer	17 weeks	Same or comparable position with no loss of wages or benefits, and the same salary as if leave had not been taken.
Northwest Territories - labour	No maternity leave legislation	No maternity leave legislation	none	Leave for maternity is treated as a termination of employment. No right to reinstatement.

\* The Canada labour code provides 41 weeks of leave: 17 weeks of maternity leave and 24 weeks of child care leave that may be taken by either the mother or the father.

\*\* New Brunswick legislation prohibits employers from dismissing women who have not returned to work after their maternity leave, until they have been absent for 17 weeks.

Source: Labour Canada, Women’s Bureau, Maternity and Child Leave in Canada, (Ottawa: 1984).  
Supplemental information provided by the Task Force on Child Care, (Ottawa, 1986).

**Table 7, Title and Date of Maternity Legislation by Jurisdiction**

Jurisdiction	Female Labour Force	Women as a % of Total Labour Force	Date	Name of Act
Canada: mostly interprovincial companies	176592	36.8	1971	Canada labour code
Canada: public service	84801	39.3	1981	Directive governing leave for family responsibilities
Alberta	462000	40.6	1981	Employment standards act
British Columbia	546000	40.8	1980	Employment standards act
Manitoba	203000	41.2	1976	Employment standards act
New Brunswick	117000	39.5	1976	Minimum employment standards act
Newfoundland	78000	35.7	1978	Labour standards act
Nova Scotia	148000	40.3	1973	Labour standards code
Ontario	1883000	42	1975	Employment standards act
Prince Edward Island	2000	40.7	1982	Labour standards act
Quebec	1180000	39.3	1978	Minimum wage act
Saskatchewan	173000	38.1	1979	Labour standards act

Source: Labour Canada, Maternity Leave and Child Care Leave in Canada, Ottawa (1984)

**Table 8, Paternity, Adoption and Other Related Leave, 1984**

Jurisdiction	Name of Legislation	Paternity Leave	Adoption Leave	Other Related Leave
Canada	Canada Labour Code	<ul style="list-style-type: none"> <li>Up to 24 weeks without pay after the birth of a child</li> </ul>	<ul style="list-style-type: none"> <li>Up to 24 weeks without pay upon adoption of a child</li> <li>If both parents employed under federal jurisdiction combined leave not to exceed 24 weeks</li> </ul>	--
Federal Public Service	Directive Governing Leave for Family Responsibilities	<ul style="list-style-type: none"> <li>One day with pay upon the birth of a child</li> <li>26 weeks without pay after the birth of a child</li> </ul>	<ul style="list-style-type: none"> <li>One day with pay</li> <li>26 weeks without pay upon the adoption of a child</li> <li>If both father and mother employed in federal public service combined total, not to exceed 26 weeks</li> </ul>	<ul style="list-style-type: none"> <li>Two days with pay to care for a sick family member</li> <li>½ day with pay to take family member to an appointment</li> <li>Up to one year without pay for personal needs</li> <li>Not to be taken in conjunction with maternity/paternity leave</li> <li>Up to 5 yrs without pay to care for and nurture a pre-school age child</li> </ul>
Alberta	Public Service Act	--	<ul style="list-style-type: none"> <li>Up to 6 months unpaid leave upon adoption of a child (1 year qualifying)</li> </ul>	--
Alberta		--	<ul style="list-style-type: none"> <li>1 day paid for adoption proceedings</li> </ul>	--
British Columbia	Public Service Act	--	<ul style="list-style-type: none"> <li>Up to 6 months unpaid leave upon adoption of a child (completion of probationary period, only one parent eligible)</li> </ul>	--
Manitoba	Civil Service Act	--	<ul style="list-style-type: none"> <li>Up to 10 weeks unpaid leave upon adoption of a child (proof of adoption)</li> </ul>	--
Nova Scotia	1. Labour Standards Code	--	1. Up to 5 weeks unpaid leave upon adoption of a child age 5 or under	--

	2. Civil Service Act		2. Up to 4 weeks unpaid leave upon adoption of a child age 5 or under		
Ontario	Public Service Act	--	<ul style="list-style-type: none"> <li>• Up to 6 weeks unpaid leave upon adoption of a child (1 year qualifying)</li> </ul>	--	
Prince Edward Island	Labour Act	--	<ul style="list-style-type: none"> <li>• Up to 6 weeks upon receipt of notice from the Director of Child Welfare Agency, child 6 years or younger</li> </ul>	--	
Quebec	<ol style="list-style-type: none"> <li>1. An Act Respecting Labour Standards</li> <li>2. Regulation Respecting Labour Standards under An Act Respecting Labour Standards</li> </ol>	--	<ol style="list-style-type: none"> <li>1. 2 days without pay upon adoption of a child</li> <li>2. --</li> </ol>	<ol style="list-style-type: none"> <li>1. --</li> <li>2.</li> </ol>	<ul style="list-style-type: none"> <li>- Where there is danger of a miscarriage 3 weeks unpaid leave</li> <li>- 5 weeks unpaid leave following still birth before the 20<sup>th</sup> week</li> <li>- 3 weeks unpaid leave following legal abortion before the 20<sup>th</sup> wk.</li> </ul>
Saskatchewan	Labour Standard Act	<ol style="list-style-type: none"> <li>1. 4 weeks notice must be given (1 year qualifying)</li> <li>2. Up to 6 weeks unpaid leave to be taken any time during the 3 months which surround the birth</li> </ol>	<ol style="list-style-type: none"> <li>a. 4 weeks notice must be given</li> <li>b. Up to 6 weeks unpaid leave commencing on the date of adoption, with qualifying period</li> </ol>	--	

Source: Labour Canada, Women's Bureau, Maternity and Child Care Leave in Canada, Ottawa: 1984.

**Table 9, Maternity Benefits Paid and Claims Allowed Under Unemployment Insurance Program, Canada, 1975, 1976, 1979, and 1980**

	1974	1975	1979	1980
Total UI Benefits	\$ 2 131 410 625	3 159 279 881	4 008 000 662	4 393 308 000
Maternity Benefits	\$ 81 708 121	102 161 421	207 069 099	234 746 000
Maternity Benefits / Total Benefits*	% 3.8	3.2	5.2	5.3
Initial Claims Allowed** Maternity Benefits	63 433	69 895	102 760	107 336
Women Aged 15-44 in Paid Labour Force	2 333 000	2 462 000	3 030 000	3 206 000
Initial Claims Allowed / Women (Aged 15-44)***	% 2.7	2.8	3.4	3.4

\* Maternity benefits given as a percentage of total unemployment insurance benefits.

\*\* Initial claims allowed – a claim is initial if no other benefit rights are currently in existence

\*\*\* Initial benefits given as a percentage of total number of working women between the ages of 15 and 44.

Source: Labour Canada, Women's Bureau, Women in the Labour Force, Part III, A Variety of Facts and Figures, (Ottawa: 1983), p 18-19

**Table 10, Maternity Benefit Claimants as a Percentage of Labour Force, Canada 1972-1981**

Year	Total Labour Force	Female Labour Force	Number of Maternity Benefit Claimants	Claimants as % of Female Labour Force	Claimants as % of Total Labour Force	Participation Rate of Married Women 20-44
	'000s	'000s		%	%	%
1972	8897	3101	37688	1.22	0.42	39.2
1973	9276	3303	55864	1.69	0.60	41.2
1974	9639	3477	63433	1.82	0.66	42.1
1975	9974	3680	69895	1.90	0.70	49.9
1976	10206	3837	78819	2.05	0.77	50.9
1977	10498	3994	90157	2.26	0.86	52.9
1978	10882	4232	96400	2.28	0.89	56.0
1979	11207	4408	102760	2.33	0.92	57.3
1980	11522	4613	107336	2.33	0.93	59.4
1981	11830	4811	113000	2.35	0.96	61.9

Source: Statistics Canada, Historical Labour Force Statistics, 1981, Catalogue No. 71-201 and UI Administrative Statistics

# **COMPARISON OF MATERNITY AND PARENTAL LEAVE AND BENEFIT POLICIES BETWEEN SWEDEN AND CANADA**

A country's governmental policy choice regarding whether or not to provide maternity and parental benefits is not made in isolation from the broader context of the general economy and labour force that includes: per capita GNP or wealth of the country; the extent of resources to support alternative policy choices; the labour force participation rate of women and whether or not the rate is increasing; and demographic trends and the response to them, including whether there is a particular concern about population patterns and declining birth rates. Underlying all these factors is the political climate of the country, social trends (for example, the extent to which equality of men and women is viewed as a desirable goal) and the attitudes toward the role of government in society (Kamerman and Kahn, 1981).

The following section provides a brief overview of the main features of both the Swedish and the Canadian environments, in order to provide background with which to compare and evaluate the parental leave policies provided by each country. In Part ii, there is a discussion of the philosophical basis for maternity benefits and paid parental leaves in Sweden and Canada. Finally, Part iii provides an analysis of the substantive differences in the parental leave and benefit policies between Sweden and Canada. Together, this will allow an assessment to be made of the potential lessons that Canada can learn from the success of the Swedish parental leave program.

## **General Background on Sweden and Canada**

### **Population and Labour Force Statistics**

Canada has a population that is approximately three times that of Sweden's. At the beginning of 1984, the population of Canada was approximately 25.1 million, while the population of Sweden was about 8.3 million. In both countries, the population was fairly evenly divided between males and females (Labour Force Statistics, 1964-1984). Both countries are approaching zero population growth, with the crude birth rates declining steadily (Labour Force Statistics, 1964-1984). The total fertility rates in Canada and in Sweden are currently about 1.8 (Townson, 1983), and 1.6 respectively (Side by Side, p50) (a level of approximately 2.1 would represent zero population growth in Canada).

Two major factors have led to the recognition of the need for comprehensive maternity protection in both Sweden and Canada. Firstly, the drop in the birth rate, as discussed above, has the potential effect of jeopardizing the future economy and well-being of society. Pregnancy is not only an exercise of personal choice. Rather, it is an inevitable and essential natural phenomenon vital to the perpetuation of the national community. If there is no comprehensive maternity provision available to women who wish to exercise their procreative right, without being economically or professionally penalized, then that society runs the risk that women will have to choose between their careers and their families. Secondly, the substantial increase in the participation of women in the paid labour force - especially married women at the age of maternity - further reinforces the need for a broad maternity leave policy in Canada (Gallagher & Noel, 1983).

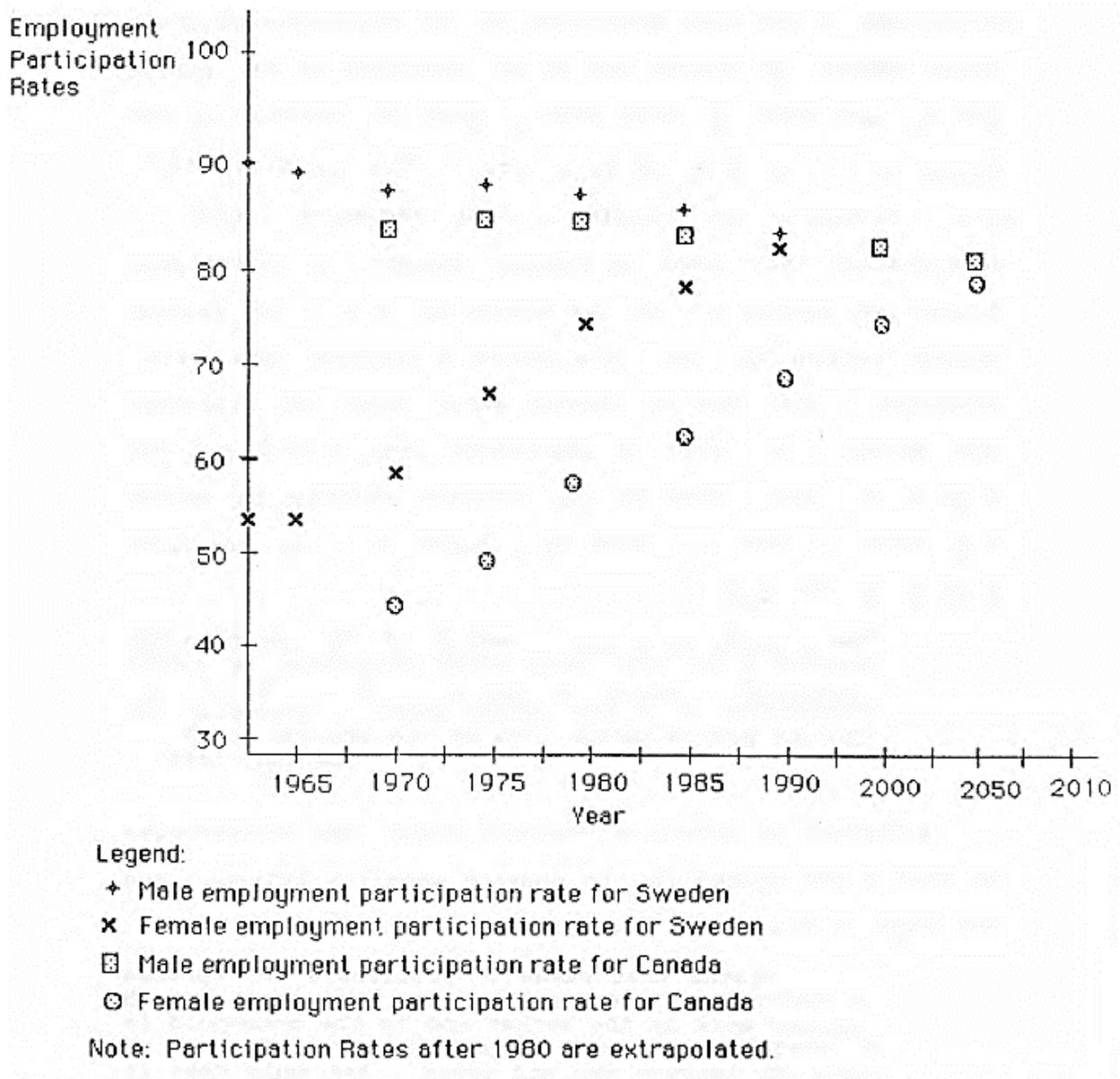
Although Canada has a high overall labour force participation rate at just under half of its total population, slightly more than half the Swedish population is in the labour force, placing Sweden's participation rate as the highest among Western nations (Carson, 1985). This high labour force participation rate in Sweden arises primarily because Sweden has the West's highest rate of female participation:

There is no other country in the western world where women, even during their children's infancy, have almost the same employment participation as men.

(Side by Side, 1985, p4).

In 1985, approximately 77.2% of all women aged 16-64 were in the Swedish labour force, (up from 59.4% in 1970) versus a female labour force participation rate of 61.2% in Canada (up from 43.2% in 1970). In contrast, male labour force participation rates have been much more similar between Canada and Sweden over the years, although the participation rate is slightly higher in Sweden. Both Canada and Sweden have experienced a convergence of the employment participation rates of women and men, although the female participation rate has increased much more rapidly in Sweden (see figure 4). If the participation rates continue their past trends in each country, then an extrapolation of these trends suggests that male and female participation rates in Sweden will converge by 1990, whereas participation rates in Canada will converge well after the year 2000.

**Figure 4, Selected Employment Participation Rates for Males and Females in Sweden and Canada Aged 16-64**



Source: Side by Side, a Report on Equality Between Women and Men in Sweden, 1985

Labour Force Statistics, 1964-1984, p 68.

There are numerous (similar) reasons why women have entered into the labour force, in both Canada and Sweden, in such high numbers. In Sweden, the high female labour force participation has been encouraged by the existence of heavy labour demand, primarily due to the expansion of the public sector, and also by consistently pursued reforms in the fields of social and family policy (Side by Side, 1985, p4). However, the single most decisive factor in accelerating this trend in Sweden, making it different from Canada, was probably the tax reform of 1970. The Swedish people currently pay the world's highest tax rate. Therefore, when the tax reform established the principle that every individual is independent and should be self-supporting (thus removing the marriage penalty on income from work) women increasingly began to look for work outside of the home:

The steeply progressive nature of the tax transfer system plus the fact that everyone is taxed separately helps to explain why 52% of the population is in the labour force - virtually the highest participation rate in the western world.

(Carson, 1985).

According to Schmid and Weitzel (1984) the consequences of such a tax system is to enhance equality between men and women in the labour market:

A tax system that makes it profitable for spouses to equitably divide work between them so that both spouses work in the market and in the household is a preferable system from the point of view of equality between men and women. Not only does it give the woman an income of her own in the present but also helps to build up her human capital so that she becomes more competitive in the labour market in the future. (p138).

Sweden has made substantial progress towards equality between the sexes. While women have definitely consolidated their positions in the labour market, they have done so on unequal terms (Side by Side, 1985, p2). The lives led by women and men are still unequal, to the detriment of both sexes. Women tend to work in a limited number of occupations, usually those described as "female" and low-paying (Kamerman and Kahn, 1981). For example, in Sweden over 70% of the female working population are employed in some 25 trades and professions, in which the proportion of men is very low, while men work in nearly 300 different occupations, most of which have a low proportion of women (Nielsen, 1980). Part-time employment is very widespread among women, and absence from work for reasons of child care is almost entirely restricted to women (Side by Side, p 11-14).

This dichotomy of two worlds - men's and women's - also has negative consequences for men. Middle-aged men in Sweden experience a higher frequency of liquor and drug problems, and an elevated mortality rate, which can be associated with the demands of the traditional men's role. Recognizing these traditional problems, the government has concentrated its attention on two main aspects of equal opportunities: strengthening the position of women in the labour market and strengthening the position of men as parents (Side by Side, 1985, p5). Consequently, Sweden has made much more progress in the field of equal opportunities than Canada has, due in part to the Swedish Government's awareness of the existing problems, and their concerted effort to rectify them.

## **Economies, Politics and Labour Movements**

The differences between the Swedish and the Canadian economies are quite pronounced. Sweden closely approximates a Welfare State, in that every person in Sweden enjoys social insurance protection against illness, maternity, old age, disability, unemployment, obsolescence of job skills, and virtually every other type of economic misfortune (Carson, 1985). The aim of Swedish Social Welfare Policy is to assist people during those periods of one's life when economic assistance is needed. This has been the policy of the Social Democratic Party, which has governed Sweden almost continuously from the Depression in 1932 until 1976, and then was re-elected in 1982, after 6 years of non-socialist rule (Carson, 1985). This social welfare policy of the Social Democratic Party has resulted in a rapid expansion of social benefits (Some Data about Sweden).

Unlike Canada, which is essentially a capitalist country, with its emphasis on capital accumulation and market competition, Sweden represents two seemingly opposing positions. On the one hand, everyone is guaranteed a minimum living standard while steep taxes ameliorate tendencies for either extreme wealth accumulation or widespread poverty; on the other hand, Sweden prides itself in having an economic system which is both competitive and efficient. Thus, Sweden has been characterized as "socialist" in terms of the distribution of capital and wealth and "capitalist" in terms of economic production, thereby supposedly representing a "middle way" between the extremes of collectivism and individualism:

The essence of this middle way is a fusing of socialist concerns for equality and well-being with a capitalist emphasis on efficiency in production.

(Carson, 1985, p 2).

Swedish unemployment is nearly the lowest in the West (Carson, 1985). From 1965 to 1980 it has averaged around 2% of the labour force, reaching a high of 3.1% by 1984 (which is still the second lowest in the in the OECD). In contrast, Canada has had a much higher rate of unemployment, steadily increasing from 3.6% of the labour force in 1965 to the rate of 11.2% by 1984 (Labour Force Statistics, 1964-1984, p30).

The Canadian labour movement, although gaining considerable membership levels and political influence over the last forty years, has neither the political or economic role in society that the Swedish labour movement has. By 1981, Sweden's trade union membership as a percentage of the economically active population was 88.8% (up from 62.5% in 1961) whereas the comparable figure for Canada was 35.3% (up from 29.5% in 1961). In Canada, of total union membership, 73% are men while only 27% are women. (Kumar, 1986). This is in marked contrast to Sweden where the proportion of males and females unionized is virtually the same, at approximately 88% and 86% respectively (Statistisk Arsbok, 1986). This dramatic difference in unionization levels and the female composition of union membership between Canada and Sweden has significant implications for policies affecting women in each country.

Successful trade unionism came relatively early in Sweden, getting underway during the 1880's (Carson, 1985). The Social Democratic Party, which is essentially labour's political arm, was founded in 1889. When the Social Democratic Party was elected in 1932, labour became the party with political power. (Carson, 1985). In order to develop countervailing power against management, various local unions

merged to become national, and in 1898, the national unions confederated into a single organization, the Swedish Federation of Trade Unions (or LO). Today, the Swedish Federation of Trade Unions has a total membership of 2,262,931 (Statistisk Årsbok, 1986). The main function of the national labour market organizations is to negotiate central collective agreements, which generally include a social package of proscriptions about pensions, sickness insurance, working hours and working environment, as well as wage guidelines (Carson, 1985).

Canadian unions are "business unions", involved strictly in an economic bargaining situation, whose primary concern is to improve wages and working conditions through the process of collective bargaining rather than bringing about social change through direct political action (Kumar, 1986). Swedish unions, on the other hand, combine political influence with economic leverage in order to bring about changes in broader social issues affecting their members. The union's bargaining power, in Sweden, is derived from its economic leverage, whereas its political strength comes from its close political association with the Social Democratic Party. The high proportion of females in Swedish trade unions has a significant effect on social programs which affect women.

The main potential advantage of centralized bargaining, in the form of industry-by-industry negotiations, as Sweden has, is the significant effect it has on the well-being of society as a whole (Carson, 1985). Swedish labour market organizations negotiate directly with Government policy-makers to establish policies that will benefit society at large. This contrasts with the collective bargaining on a company-by-company basis, which is the Canadian case. In this situation, no representatives of society as a whole are present; hence individual unions are forced to bargain solely for their own constituents. Those employees who are not covered under a collective agreement must rely on other means to obtain the same policies which other employees have obtained through their unions, thus resulting in an uneven distribution of wages and benefits.

## **The Philosophical Basis For Maternity Benefits and Paid Parental Leaves in Sweden and Canada**

The fundamental differences between the Swedish and Canadian political, economic and social environments discussed above provide background for significantly different social policies and overall philosophies toward equality between men and women in general and toward maternity/parental leaves and benefits in particular. This section examines the philosophies of each of the two countries with respect to their parental leave and benefit policies, within the broader context of Sweden's and Canada's social policy with respect to equality.

Sweden and Canada approach policy-making from entirely different social perspectives because of the very nature of their political climates. Sweden has a unitary system of government, in contrast to the federal-provincial system of Canadian government. The Social Democratic Party in Sweden has always placed a high priority on both equality and equity (Carson, 1985). Emphasis on these goals is manifested in various ways, including strong social policies advocating equal opportunity for men and women to manage home and work responsibilities simultaneously. Swedish social policies are also strongly influenced by special interest groups, with the result that the general public is instrumental in the determination of government policies. In Sweden, even more than in most democracies, these groups play a major role in social goal formation (Carson, 1985). Canada, on the other hand, has had a traditionally

conservative federal government. (The New Democratic Party, the official party of labour, has never formed a federal government). Neither the federal government or provincial governments have made "family policy" programs a major focus for the development of an integrated Canadian social policy. Rather, the development of social policy has tended to be individual problem or issue-oriented; for example, the government may seek to form policies aimed at correcting the problems of poverty, crime, or illness (Armitage, Cited in Kamerman and Kahn, 1977).

Both maternity benefits and paid maternity leaves constitute a powerful policy instrument by which broader social goals, in relation to women's employment and equality between the sexes, can be achieved (Townson, 1983). The effects of specific social policies may be much more far-reaching than the immediate goals of the program. For example, Hungary has a program in which mothers are paid to stay home to care for their children. This program has the broader consequence of discouraging these women from participating in the labour force, thereby perpetuating the labour market inequality between men and women. At the other extreme is Sweden's parental leave policy, whereby both mothers and fathers have a right to benefits. This policy may promote a more equitable division of labour within the household and may contribute to the elimination of barriers to women's advancement in the paid labour force (Townson, 1983).

Sweden's policy objectives are clearly articulated and consciously adopted. Consequently, programs are specifically designed to meet the stated objectives. In contrast, in Canada the maternity leave program is designed and implemented without specific social policy objectives. Nevertheless, this program may have important unintended impacts on birth rates, female labour force participation rates, child care facilities, and the allocation of family responsibilities between men and women:

The underlying philosophy adopted by a particular country or region will affect the structure of fully-paid maternity leave programs and may also influence the funding mechanism chosen. By the same token, adoption of a particular program design may imply a particular underlying philosophy. (Townson, 1983, p8).

Sweden has a broad, comprehensive policy stance in support of the opportunity for all adults to manage both work and family responsibilities simultaneously. This active, progressive policy is manifested in a parental leave benefit which is provided through the Social Insurance system in Sweden. The extensive use of their Social Insurance system is consistent with Sweden's broader Social Welfare Policy which provides help to everyone who is in need.

In contrast, Canada has never adopted either a comprehensive or coherent family policy. It has never acknowledged the need to accommodate the family responsibilities of working parents (RTFCC, 1986, p232). In fact, the development of a comprehensive parental leave system in Canada has been hindered by the failure of policy-makers to realize the inevitable shift of mothers into the labour force (RTFCC, 1986, p233). It could be argued that Canada does indeed have a de facto policy with respect to maternity leave: to maintain the status quo. Once again, this may be consistent with the conservative nature of the Canadian political environment.

Canada provides benefits for maternity leave through its Unemployment Insurance scheme, as opposed to providing benefits through a Social Insurance system, as is the case for Sweden. This illustrates another

important distinction between the two countries' policies. Sweden considers parenthood to be a social concern that is for the good of the country and that should be shared by everyone. Hence, the parental leave policy is administered nationally. Canada treats a pregnant woman as an unemployed citizen, thereby implying a second-class standing. Since Canada pursues family policies at both the federal and provincial levels, the actual benefit provided to an individual is dependent both on the particular jurisdiction's philosophy toward maternity leave as well as on the philosophy of the central government. These federal and provincial philosophies need not coincide. Therefore, while Sweden is able to fulfill its overall policy objective by having the parental function integrated with the work function through a nationally administered policy, Canada continues to consider them as two separate functions and administers them at different levels of government. If there is to be an effective national system of fully-paid parental leave in Canada, a critical first step will be to establish clear objectives for such a policy so that appropriate funding mechanisms may be selected. As well, Canada should strive towards developing a unified program of fully-paid parental leave, for as long as the leave and benefits continue to be administered at two different levels of government a "national" system will be difficult to achieve.

### **Substantive Differences in Parental Leave and Benefit Policies Between Sweden and Canada**

The provision of maternity leave and benefits in Canada is vastly different from the Swedish parental leave policy on many dimensions. The areas to be examined and compared in the following section are: the duration, benefit levels and qualifying periods of maternity leave; the availability of leave and benefits for fathers and adoptive parents on the birth or adoption of a child; and the statutory provisions for extended child care leave and leave for the care of sick children.

The specific combination of paid leaves and benefits provided to working parents reflects the national views the country holds regarding the appropriate roles for women in that society, and the roles they are expected to play in the economy as a whole (RTFCC, 1986, p238). The primary distinction between the maternity programs offered by Sweden and Canada arises from the fundamentally different philosophical outlooks about maternity that each country holds: Sweden has a "Parental" Leave policy, which enables both parents to share in the responsibility of caring for the child, reflecting the recognition that equality for women in the workplace cannot be achieved unless family responsibilities are shared between men and women. Canada has a "Maternity" Leave policy, which provides assistance to mothers only in connection with the birth and caring of a child, reflecting the fact that Canada's policy is much less progressive than Sweden's.

In Sweden, parental insurance forms part of the general health insurance scheme, which covers everyone living in Sweden regardless of nationality and employment status (PIS, Some Data, 1977, p2). As in Sweden, the cash benefit in Canada is a social insurance benefit; however, unlike Sweden, the Canadian maternity benefit is provided through the Unemployment Insurance system, but entitlement to leave is provided separately through provincial employment standards legislation.

Summary Table 11 presents the key differences in the laws and regulations governing maternity protection in Canada and Sweden. In Sweden, the duration of leave is longer than that provided in Canada, the income replacement is higher, and a greater proportion of the population is eligible for

benefits. Only with respect to flexibility in the timing of the leave is Canada's provision comparable to Sweden's. Specific differences in the two programs will be discussed in the following section.

**Table 11, Summary of Provisions for Maternity Leave in Sweden and Canada**

	Sweden	Canada
<b>Duration of Maternity Leave</b>		
a. Leave insured at maximum benefit	26	17
b. Weeks of pre-natal leave	0-10	0-12
c. Weeks of post-natal leave	16-26	5-17
<b>Income Replacement During Maternity Leave</b>		
a. Percent of salary received	90%	60% *
b. Total weeks of leave insured at maximum benefits	26 **	17
c. Total weeks of maternity leave	26	17-18
<b>Extended Child Care Leave</b>		
a. Initial insured leave period	26	17
b. Extended leave		
i. Duration	26 weeks to be used before child is 8 years old as half or quarter days before child is 18 months	None
ii. Benefits	First is 13 weeks at 90% of salary; last 13 weeks at flat rate benefit	None
<b>Statutory Leave for Care of Sick Children</b>		
a. Annual allotment of leave	60 days per family for each child under 12	None
b. Available to fathers	Yes	No
c. Income provisions	90% of salary	None

Source: Monica Townson, Paid Parental Leave Policies: An International Comparison with Options for Canada, a report prepared for the task force on Child Care, (Ottawa: 1985)

\* indicates there is a maximum amount of earning insured

\*\* leave is available to adopting parents on same terms as natural

## **Birth and Adoption Leave**

### **Duration of Leave**

Sweden provides for a maximum period of paid parental leave of 26 weeks with income replacement at 90% of salary. In Canada, the length of maternity leave is much shorter, varying from 12 weeks in New Brunswick to 18 weeks in the federal jurisdiction. Most jurisdictions make the specification that leave can begin 11 or 12 weeks before the expected date of delivery and cannot end sooner than 6 weeks after the baby is born. The Unemployment Insurance Act provides insurance for 17 weeks of leave, during which period 15 weeks of benefits are paid.

Both Sweden and Canada allow the parent involved a fair degree of flexibility in scheduling when the leave is to begin. However, this flexibility is much more crucial in Canada, given the very short leave period provided.

### **Benefit Level**

As well as providing a significant leave period, Sweden provides a generous income replacement level during the leave so that the cost to workers of taking leave time is minimal. Sweden's income replacement level is 90% of wages. This benefit level far exceeds the level provided for in Canada: Canadian women who are eligible under the terms of the Unemployment Insurance Act may receive 15 weeks of benefits equivalent to 60% of the insured part of their incomes. In order to collect 15 weeks of benefits, they must take 17 weeks of leave, where the first two weeks of leave are a required period before benefits begin. Hence, the effective replacement level of income, in Canada is only 53% of insured earnings versus 90% in Sweden.

### **Qualifying Periods**

Sweden requires only that a person has worked either for 6 months prior to confinement or for 12 months during the past two years to be entitled to the Parental Insurance benefit. In this way Swedish policy takes into consideration the extremely high proportion of women participating in the workforce on a part-time basis in the qualifying conditions for leave. Canada, on the other hand makes no provision for less than full time work. Canada requires that a woman must have worked 20 weeks in the previous 52 weeks to qualify for the maternity benefit under Unemployment Insurance, but most provincial jurisdictions require that she have worked one continuous year with the same employer. The result for most employees is that the effective qualifying period is determined by the one continuous year condition in provincial jurisdictions.

### **Financing**

Birth/adoption leave is financed through the social insurance programs in both Sweden and Canada. The methods of funding for these programs differ. Canada finances its plans through employer and employee contributions. In Sweden, on the other hand, only the government and the employers contribute to the plan.

## **Coverage of the Self-Employed and Excluded Workers**

In Sweden, the self-employed contribute to the social insurance plan on the same basis as employers, hence they receive parental insurance benefits. In Canada, however, self-employed workers neither contribute to nor collect from maternity benefits plans. Spouses of the self-employed working in the same enterprise have no entitlement to maternity leave or benefits either. In addition, several groups of employees (domestic workers, farm labourers, and students) are excluded from entitlement to maternity leave and/or benefits in most Canadian jurisdictions.

## **Leave for Fathers on Birth of a Child**

In Sweden, fathers are given the same opportunity to take paternity leave with guaranteed job security and the same income replacement provisions as are available to women. The only leave periods that are specifically reserved for the mother are the pre-natal leave and the first 29 days of post-natal leave. In 1972, when leave was first extended to fathers, only 2% of Swedish fathers took advantage of the opportunity, but by 1978 12-14% of fathers were claiming the leave. In addition, Sweden provides every father with two weeks of paid leave to be taken at the time of the birth to enable them to assist the mother with the newborn baby. Canada's provisions are in marked contrast to Sweden's extensive provisions for fathers to engage in parental leave. Only fathers employed in enterprises which are under the federal jurisdiction, or in Manitoba, Saskatchewan or Quebec are entitled to take leave on the birth of a child.

## **Adoption Leave**

Sweden has done much more than Canada to recognize the need of adopting parents to have leave available with job protection and some form of income replacement. In Sweden, adopting mothers are entitled to the same maternity leave and income replacement as natural mothers, for a period equivalent to the post-natal period. Just as fathers can share leave at the time of birth of a child, they can also share adoption leave with the mother. In Canada, not until 1984 were adopting parents able to collect Unemployment Insurance benefits. However, the employment standards legislation in each province entitles very few workers to take leave in connection with the adoption of a child.

## **Extended Child Care Leave**

Sweden has adopted a special provision entitled Special Parent's Cash Benefit that gives working parents the opportunity to spend more time with their young children on an on-going basis. The equivalent of 6 months' leave is provided to either parent to care for a child. The leave may be taken in many forms: shorter working hours (a six hour working day); half-days off or full time. By providing this Special Parent's Cash Benefit to either parent, Sweden is trying to promote the sharing of domestic labour between the father and the mother. Under the terms of this extended leave 13 weeks are provided at 90% of salary and an additional 13 weeks are provided with a flat-rate benefit (RTFCC, 1986, p246). Therefore, by combining leaves available under Special Parent's Cash Benefit and Parent's Cash Benefit for childbirth, parents are entitled to take up to one year in total on the birth of a child, three quarters of which is covered by 90% replacement income. Most of this leave can be obtained by either parent. Only the first 26 weeks of Parent's Cash Benefit for Childbirth must be taken in full-days, while the remaining

26 weeks of Special Parent's Cash Benefit may be taken in full, half, or quarter-days over an extended period of years.

Canada's provision for extended child care is minimal in comparison. The only statutory provision for extended child care leave is found in the Canada Labour Code. This provision enables either parent, after the 17 week maternity leave is completed, to take 24 weeks of leave. Otherwise, no extended child care leave is available in Canada, with the exception that some unions have obtained some leave through collective bargaining.

### **Leave for Care of Sick Children**

Sweden provides a statutory entitlement to leave to allow parents to care for sick children (called Parent's Cash Benefit for the Temporary Care of Children) which is available to both mothers and fathers. Canada has no such legislative provision with the result that workers have to make their own arrangements with their employers through either collective bargaining or informal arrangements in order to care for their children when they are sick.

### **Conclusions**

In comparing Canada's parental leave and benefits provisions with those of Sweden, it is found that Sweden provides a longer leave than Canada (26 weeks compared with 12-18 weeks in Canada) and a higher replacement level (90% in Sweden versus 60% in Canada). Sweden permits new parents to take an extended period of leave of 26 weeks to be used before the child is eight years old (as half or quarter days) or as full days before the child is 18 months old. In Canada, only the federal jurisdiction, covering approximately 650,000 workers, and a small number of workers covered by clauses in collective agreements, are entitled to extend the maternity leave beyond the 17 weeks. Both countries allow for a fair amount of flexibility in the timing of the leave. Finally, Sweden, unlike Canada, has allowed for a certain amount of leave to taken to care for sick children.

The usage rates of the parental and maternity benefits in Sweden and Canada are vastly different. In Canada as a result of the various exclusions in the provincial legislation, the conditions for entitlement to leave and the low levels of benefits, only about half the women workers who give birth each year claim the Unemployment Insurance benefit for maternity. In contrast, in Sweden practically all eligible families make use of at least some portion of the Parent's Cash Benefit.

## CONCLUDING REMARKS

Although a system of maternity leave and benefits does exist in Canada, only about half of employed women who bear children each year collect the benefits offered under the Unemployment Insurance Act, at an income replacement level of only about 53% of insured earnings (RTFCC, 1986, p207). It is obvious that the development of a comprehensive system of Parental Leave is long overdue in Canada:

Canada's Parental Leave program falls short of meeting the needs of children, parents and society. The time is overdue for governments to take action to remedy the situation, as all Canadians pay for the effects of inaction. (RTFCC, 1986, p218).

The Parental Leave issue may be one of the most important social policy issues of the decade. Concrete action must be taken to transform the limited current Canadian system of maternity leave into a comprehensive policy that more closely approximates the policy adopted in Sweden. It is essential that Canadian society develop a more positive role toward childrearing; in particular, men as well as women must assume their share of child care responsibilities (Gallagher & Noel, 1983). Sweden has taken this approach, realizing that as more and more women enter the labour force out of economic necessity, the traditional sexual stereotypes are no longer realistic (Gallagher and Noel, 1983). Canada, on the other hand, has been late in making this realization. Unfortunately, the assumption that mothers are the primary caretakers of the family persists in Canada. As a result, it is women who are faced with the dual responsibilities of career and family (Gallagher & Noel, 1983). The following discussion examines the possible lessons that Canada can learn from the success Sweden enjoys with its Parental Leave policy.

Economic and political conditions, demographic trends, the level of unemployment, the extent of unionization, as well as societal goals for women's employment are all important influences on how paid maternity/parental leave is structured in a country. It would be a grave error for Canada to adopt Sweden's Parental Leave policy without first realizing that the countries are different on numerous significant dimensions. For example, as discussed above, Sweden currently has a Social Democratic, unitary system of government while Canada has a relatively conservative, decentralized government; collective bargaining in Sweden is performed at the national level, whereas Canadian trade unions bargain on an individual basis; Sweden has 88.8% of its workforce unionized, with a relatively equal distribution of male and female members, whereas Canada's labour movement has attracted only 35% of the labour force, of which only 27% are women and 73% are men; Sweden currently has an extremely low unemployment rate at approximately 3.1%, while the comparable rate for Canada is 11.2%; the population of Sweden is approximately one-third that of Canada; finally, the social attitude that Sweden has encouraged towards women and childrearing and their participation in the workforce is that both parents should be assisted in their efforts to combine family and work responsibilities in order to achieve sexual equality both in the home and in the workplace. In contrast, Canadian policies support the attitude that women have the sole responsibility for the family. Hence, due to the numerous differences in the two countries overall environments, caution is advised when making determinations about applying what works in Sweden to Canada.

For a parental leave and benefit program to be classified as "progressive" and "effective", it is important that the program be designed to address the full range of needs of workers as parents. The program should be available to all working parents, regardless of the conditions or location of their employment. Another

dimension of the "progressivity" of a parental leave program is that the qualifying conditions should allow eligible employees to realistically utilize the program and the level of benefits should be sufficient to enable parents to afford to utilize them (RTFCC, 1986, p308).

In examining Sweden's Parental Leave system, the comprehensiveness of the system is immediately apparent. The take up rate of the Parental Insurance is extremely high indicating that the program is successful based on the criteria set out above for "effectiveness". Canada's program is not nearly as comprehensive nor as effective as Sweden's, as is evident from the low take-up rate of the benefit by Canadian employees. Canada should therefore strive to reexamine both the qualifying conditions and benefit levels to enable Canadian workers to successfully combine work and family responsibilities.

The fundamental difference between the Parental Leave Policies of Sweden and Canada has been their philosophies and motivations underlying their policies. Sweden has a strong commitment to the idea that childrearing is a social responsibility, in contrast to Canada's view that it is a private decision and fundamentally a parental responsibility (EW, p30). Sweden's success with Parental Leave comes about as a direct consequence of the philosophy that women and men should both be supported in the opportunity to manage work and family roles simultaneously. Canada, on the other hand, has never adopted this policy. Unless Canada changes its philosophy regarding the role of women in society, a comprehensive change in the parental leave program is unlikely:

In order to overcome the present difficulties of raising a family while participating in the work force, attitudes toward women and childrearing need to be changed. Only then will women secure the right to equal employment opportunities and economic independence. (Gallagher & Noel, 1983, p 89).

This raises some very important questions: firstly, is the broad social goal of equality between men and women feasible in Canada? Secondly, would Canada be receptive to such a drastic social reform? Finally, is it necessary to adopt the overall social policy of Sweden in order to achieve a measure of success in Canada's Parental Leave program? Unfortunately, these questions are not easily answered. If the success of Canada's parental leave policy is predicated on adopting the major social goals that Sweden adheres to, then Canada must first make a dramatic move toward this goal if they hope to achieve success in the area of parental leave. On the other hand, perhaps Canada can adopt a comprehensive Parental Leave policy without the initial reform of the underlying social values. According to Gallagher and Noel (1983), the first step is to enhance the Parental Leave program, in hope that the attitudinal change will follow:

Such attitude changes will undoubtedly be extremely difficult to achieve. The first step is to encourage dual-career families to adopt more cooperative approaches to child care. This can be accomplished if both employers and legislators are willing to address the issue of more adequate parental benefits. Men as well as women require better leave of absence provisions and job security. (p. 89).

A relative degree of success may be achieved if Canada merely enhances its maternity leave and benefits provisions, but superficial improvements are likely to result in short lived success. It is probably not necessary for Canada to adopt Sweden's social philosophy exactly, but it is essential for Canada to have

some broader social goal if it hopes to achieve long run success in the area of parental leave, in particular, and equality between the sexes, in general.

Aside from the premise that a Parental Leave policy in Canada would be much more effective if it was adopted as part of an overall policy objective, there are still some immediate lessons Canada can learn from Sweden's success, which can be adopted within the existing framework to improve the maternity leave and benefits program Canada currently provides. Perhaps the simplest way to implement a national system of fully-paid parental leave in Canada would be through an expansion of the existing program of maternity benefits provided under the Unemployment Insurance Act. To convert the existing program in Canada into a system of fully-paid leave, similar to that provided in Sweden, would require an increase in the level of income replacement from the existing 60% to 90%-95% of earnings, as well as an extension in the length of time for which the leave is payable (to 26 weeks, up from the 17 weeks currently available). In addition, the restrictive qualifying conditions must be alleviated to some extent: parental benefit coverage under the Unemployment Insurance Act should be extended to self-employed persons and part-time employees. Birth and adoption benefits should be made available to either parent, in recognition of the equal partnership of parents in meeting family responsibilities. Finally, an important step would be to provide extended child care leave to either parent to remain at home to care for the child for the first few years of its life and some form of leave for family responsibilities should be available.

There are a few aspects of the Swedish system that there should be no attempt to transfer. Firstly, there is no reason to believe that the constitutional division of responsibility between Canada's federal and provincial governments, which has shaped the existing arrangement for parental leave in Canada, will not continue to do so in the future. It is unrealistic to suggest that Canada attempt to centralize its parental leave program at the national level, as is the case in Sweden. However, there is a need to eliminate the contradictions and inconsistencies that exist between the federal and provincial governments' policies, and a full attempt to coordinate the leave and benefit levels of the parental leave program between levels of government is necessary. Secondly, it seems impractical for Canada not to continue to provide birth and adoption benefits under the Unemployment Insurance scheme, even though Sweden is very successful in providing their coverage under the health insurance system. Finally, Sweden's success with their parental leave program is partially attributed to their nationalized labour movement. However, because of the current structure of unionism and the decentralized nature of collective bargaining in Canada, it would be inappropriate to leave the issue of parental leave and benefits to unions. It is evident that the policy will continue to be administered by the government. Hence the government should be providing adequate leave and benefits so as to eliminate the necessity for unions to supplement these provisions.

Remedying the deficiencies of the Canadian Parental Leave policy, to bring it more closely in line with Sweden's policy, will be difficult and costly. According to a cost analysis performed by The Task Force on Child Care in 1986 it was estimated that the net cost to the Canadian Unemployment Insurance system for additional benefits discussed above would be somewhere in the range of \$140 million dollars (in 1985 dollars), assuming that the take up rate was 50% in 1990. However, when considering the cost of implementing changes it is essential to keep in mind that there are substantial costs associated with inaction, as well (RTFCC, 1986, p.207). The consequences of inaction will become increasingly costly, in Canada, as the participation rate of women in the workforce continues to grow at a rapid rate.

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## **APPENDIX A**

THE CHILD CARE LEAVE ACT enacted on 1st June 1978

Swedish code of Statutes (SFS) 1978:410

Amended

1979:645

1982:91

1982:676

### **INTRODUCTORY PROVISIONS**

#### **SECTION 1**

An employee, as a parent, is entitled to leave of absence from his/her employment in accordance with the provisions of the Act. An employee who is a foster parent is similarly entitled to leave, as is an employee who is living permanently with a parent and who is or has been married to or has or has had a child with the parent.

#### **SECTION 2**

Any agreement under which the employee's rights according to this Act are forfeited or restricted is null and void in that respect.

Notwithstanding what is said in subsection one, Sections 7(1) and 9(2) may be departed from as a result of a collective agreement which has been reached or approved on the employee side by a central organization of employment as referred to in the Act on Co-Determination at Work (1976:580). The detailed application of Sections 8 and 11 may also be regulated in a similar way.

Employers who are bound by a collective agreement as referred to in subsection two may apply the agreement to employees who do not belong to the trade union with which the agreement has been reached, provided that the employee is employed on work which is covered by the agreement and which is not covered by another applicable agreement.

### **ENTITLEMENT TO LEAVE OF ABSENCE**

#### **SECTION 3**

The employee is entitled to leave of absence for the care of a child, partly in the form of full-time leave, and partly in the form of a reduction in working hours to three-quarters of normal working hours. The right to full-time leave of absence applies until the time the child has reached one and half years of age.

The right to reduced working hours applies until the time the child has reached eight years of age or until such later time at which the child has completed its first year at school.

#### **SECTION 4**

Over and above the provisions of Section 3, an employee is entitled to full-time leave (180 days) of absence while receiving full parent's allowance under Chapter 4 of the National Insurance Act (1962:381) and to a reduction of working hours to half or three quarters while receiving parent's allowance at half or one-quarter the full rate.

Female employees are also entitled to a full-time leave of absence in connection with childbirth, comprising not less than six weeks before the anticipated confinement date and six weeks after confinement. They are also entitled to nursing leave. The provisions of Section 5-9 shall not apply to nursing leave.

#### **SECTION 5**

Entitlement to leave of absence shall be conditional on the employee, at the commencement of such leave, having been in the service of the employer either for the preceding six months or for not less than twelve months during the preceding two years. Length of service shall be computed as provided in Section 3(1) of the Security of Employment Act (1982:80).

The condition stated in subsection one does not apply to the right to leave of absence during the period in which the employee is drawing:

- 1) parental benefit for the temporary care of a child (60 days per child and year until the time the child has reached 12 years of age) as provided in Chapter 4, Section 8 of the National Insurance Act (1962:381), or
- 2) a special parental benefit (180 days) for such purposes as are provided for in Chapter 4, Section 11(4) of the same Act.

Nor does the condition apply to the right to leave of absence as provided for in Section 4(2).

#### **TIME OF LEAVE, etc.**

#### **SECTION 6**

The leave entitlement may be divided into a maximum of two periods in each calendar year. If a leave period relates to more than one calendar year it shall be assigned to the calendar year in which the period of leave commenced.

Leave of absence during the period in which the employee is drawing parental benefit for the temporary care of a child as provided in Chapter 4, Section 8 of the National Insurance Act (1962:381) or is drawing a special parental benefit for such purposes as are provided for in Chapter 4, Section 11(4) of the same Act may be divided regardless of the regulations in Chapter 4, Section 11(1).

#### **SECTION 7**

Employees who wish to avail themselves of their right to leave of absence shall, unless otherwise provided for in the second Section, notify their employer no less than two months prior to the commencement of the leave period or if this cannot be done, as early as possible. In connection with the notification to the employer the intended length of the leave period shall also be stated.

Notice of leave of absence during the period in which the employee intends to draw parental benefit for the temporary care of a child or intends to draw a special parental benefit shall be given to the employer at

least one week prior to the commencement of the leave period. Should the leave be made necessary by illness or infection no period of notice is required.

## **SECTION 8**

Leave shall be taken on the day requested by the employee. However, when working hours are reduced to one-half or three-quarters of normal working hours the reduction shall be spread over all the days of the working week, unless there are special reasons otherwise.

The employer shall discuss with the employee the time of day when leave of absence shall be taken and other related matters. If agreement is not reached, the employer shall decide these matters insofar as not agreed otherwise. However, the employer may not require leave of absence to be taken at any other time than the beginning or end of the working day, without the agreement of the employee.

If a decision concerning the matters referred to in subsection two has been made in any other way than through an agreement with the employee or a representative of the employee, the employer shall notify the employee of the decision. This notification shall, if possible, be given no less than two weeks prior to the commencement of the leave of absence.

## **RETURN TO WORK**

### **SECTION 9**

An employee may cut short a period of leave and resume work to the same extent as before the leave period.

If the employee wishes to avail himself of his right to resume work as provided in subsection one the employer shall be notified as soon as possible. However, if it was intended to continue the leave period for one month or longer the employer is not obliged to permit the employee to resume work earlier than one month after the employer has received such notification.

## **SECURITY OF EMPLOYMENT**

### **SECTION 10**

The employee may not be dismissed from his job solely for the reason that the employee availed himself, or sought to avail himself, of his right to leave of absence as provided in this Act.

Should the employee nevertheless be dismissed the dismissal shall be declared null and void if the employee so requests.

### **SECTION 11**

The employee is not obliged, solely for the reason that the employee availed himself, or sought to avail himself, of his right to leave of absence in accordance with this Act, to suffer any reduction in the benefits connected with this employment or any deterioration in his working conditions, except insofar as is implicit in the interruption to his work. Nor is the employee obliged to suffer any transfer, for the reasons stated above, other than such as may take place under the terms of his contract of employment and which is a necessary consequence of his taking leave of absence.

## **MISCELLANEOUS PROVISIONS**

### **SECTION 12**

A female employee who, on account of her pregnancy, cannot perform physically arduous work, is entitled to be transferred to a less arduous job while receiving the same benefits of employment. However, this is only the case from and including the sixtieth day before the estimated date of the birth of the child and provided that it can reasonably be demanded of the employer that he offers the female employee a different job.

An employee who wishes to avail herself of her right to be transferred in accordance with subsection one shall notify her employer no less than one month in advance. The employer shall thereafter provide information about the possibilities of a transfer as soon as possible.

### **SECTION 13**

Any employer who breaches the provisions of the Act shall pay damages to the employee for any loss which this caused and for any injury which has been caused.

If such is reasonable, damages can be reduced or no damages can be awarded.

### **SECTION 14**

If proceedings are filed on account of notice or dismissal, Sections 34 and 35, Section 37, the second sentence of Section 38(2), Sections 39-42, the second sentence of Section 43(1) and Section 43(2) of the Security of Employment Act (1982:80) shall apply where relevant. In other proceedings, the provisions of Sections 64-66 and Section 68 of the Co-Determination Act (1976:580) shall apply, mutatis mutandis.



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