

Increasing Flexibility and Gender Equality: Insights from recent changes in Québec Parental Insurance Plan

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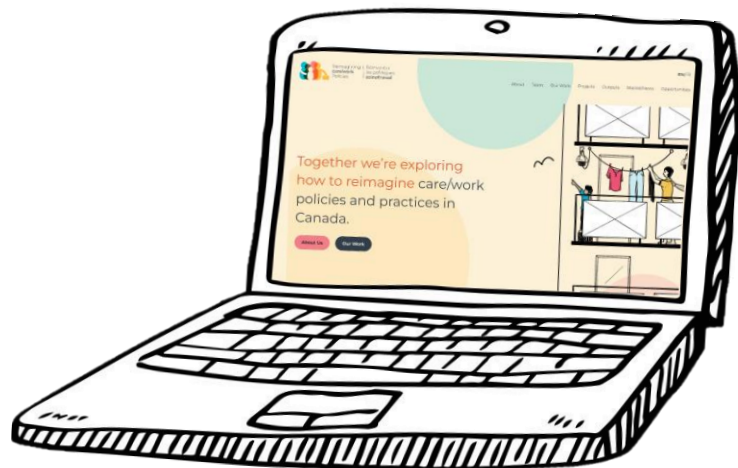


Reimagining
care/work
Policies

Réinventer
les politiques
soins/travail

**National and international experts
working within and across three clusters:**
(1) childcare; (2) parental leave; and (3)
employment policies.

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36 Partners organizations ... Including...

Childcare Resource and Research Unit (CRRU)

Canadian Labour Congress (CLC)

Campaign 2000

Canadian Center for Policy Alternatives (CCPA)

Oxfam Canada

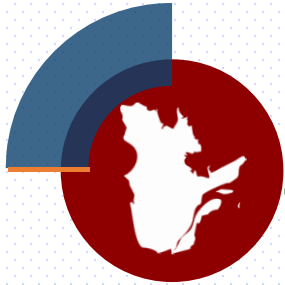
Réseau pour un Québec famille

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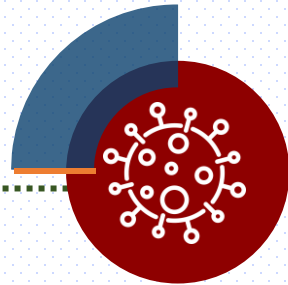
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Road Map

Québec Parental
Insurance Plan (QPIP)



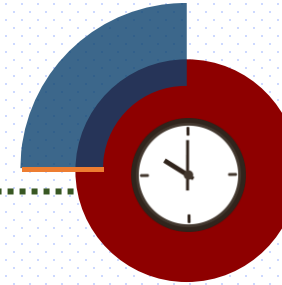
QPIP in 2020



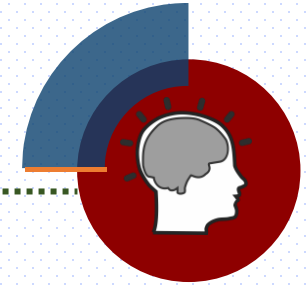
Findings on benefit
use during COVID-
19



Recent QPIP
changes



Reflections on
benefit uptake
post-pandemic



- Minimum benefits implemented
- Paternity benefit uptake declined

Parental benefits in Canada and in Québec (2022)



Some key similarities:

	Canada	Québec
Eligibility criteria	Both have eligibility criteria based on insurable employment	
Flexibility	Both programs offer two plans: a longer one with lower paid benefits and a shorter one where benefits are higher	
Maternity benefits	Need to be taken around birth; available to the birth mother only	
Replacement level	For both programs, the replacement rate depends on the plan chosen: benefits are higher when the leave is shorter	
Minimum benefit	None. Parents who do not qualify do to receive anything. Low-income workers receive low benefits	
Parental sharing benefits (contingent on both parents receiving benefits)	Both offer more weeks of benefits when both parents use parental benefits; this creates an incentive for fathers to share parental leaves with their partner	

Parental Benefits in Québec and the Rest of Canada



Key differences in 2022:

	Canada	Québec
Eligibility criteria	More difficult to meet: need 600 hours of insurable employment	Easy to meet: \$2,000 [€1,355.20] in earnings
Waiting period	One week	None
Maternity benefits (duration and replacement rate)	15 @ 55% of income (only one option)	Parents have the option between the basic and special plan; income replacement ranges between 70% and 75%
Non-transferable paternity benefits	None	Parents have the option between the basic and special plan; income replacement ranges between 70% and 75%
Parental benefits (duration and replacement rate)	Parents have choice between standard benefits (35 weeks @ 55% of income) and extended (61 weeks at 33% of income)	Parents have the option between the basic and special plan; income replacement ranges between 55% and 75%

A closer look: QPIP in 2020 before the pandemic

Type of benefits	Basic plan (longer benefits/lower replacement rate)	Special plan (shorter benefits/higher replacement rate)
Maternity benefits Non-sharable, not transferable to the other parent	18 weeks 70 % @ of income	15 weeks 75 % @ of income
Paternity benefits Non-sharable, not transferable to the other parent	5 weeks 70 % @ of income	3 weeks 75% @ of income
Parental benefits Can be shared	32 weeks 7 first weeks @ 70% income 25 following weeks @ 55% income	25 weeks 75% @ of income
Maximum insurable income	\$78,500 [€57,614]	

In its original form, the QPIP did not provide minimum benefits, not only because it is a labour policy (instead of a care policy), but also because Québec does NOT have a universal family policy (Mathieu & Tremblay, 2020).

As a result, wealthy families received generous benefits, and low-income families were the least well supported (McKay, Mathieu & Doucet, 2016; Mathieu, Doucet & McKay, 2020).

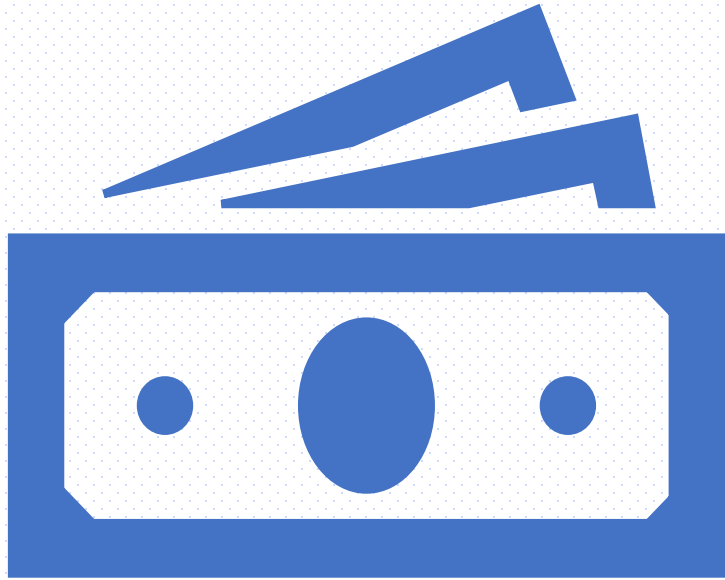
Summary

QPIP has been praised for offering the most generous, flexible and gender-egalitarian benefits in Canada.

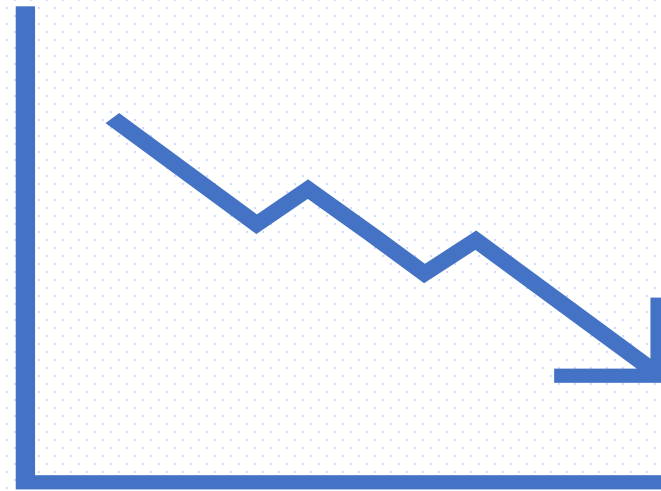
- Eligibility criteria, income replacement levels and the availability of father quotas are key determinants of the take-up of benefits in Québec.
- A higher rate of fathers receive parental benefits in Québec than in the Canadian provinces.
- Even in Québec, there are inequalities in the receipt of benefits (Mathieu and Tremblay, 2020), precisely because parental benefits are not universal and consequently, high income families receive high benefits, while low-income families are the most 'parental leave poor' (O'Brien, 2009).



Two findings on benefit use during the early weeks of the pandemic



1. Minimum benefits (\$500 [€367]) were implemented in 2020-2021



2. The uptake of paternity benefits declined during the lockdown, when remote work was mandatory

1. Parental benefits in Québec during COVID: the introduction of minimum benefits

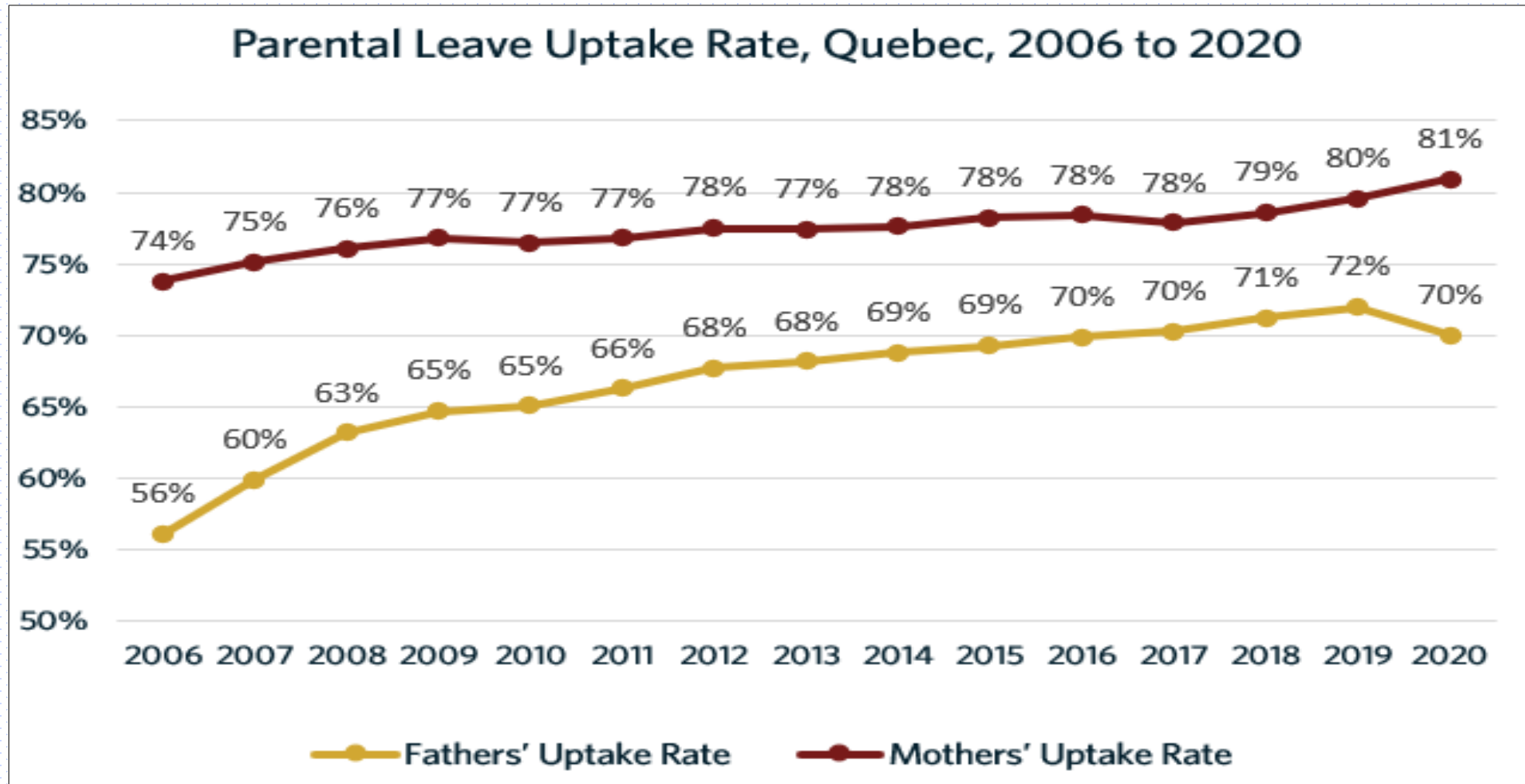
Following the Canadian parental benefit program, QPIP temporarily introduced a minimum weekly benefit of \$500 [€ 367] for claimants whose benefit period began between Sept. 27, 2020 and Sept. 25, 2021, regardless of the type of leave chosen (basic or special).

	Basic plan	Special plan
Maternity benefits	18 weeks @ 70% of income	15 weeks @ 75% of income
Paternity benefits	5 weeks 70 % @ of income	3 weeks 75% @ of income
Parental benefits	32 weeks: 7 first weeks @ 70% of income 25 following weeks @ 55% of income	25 weeks @ 75% of income

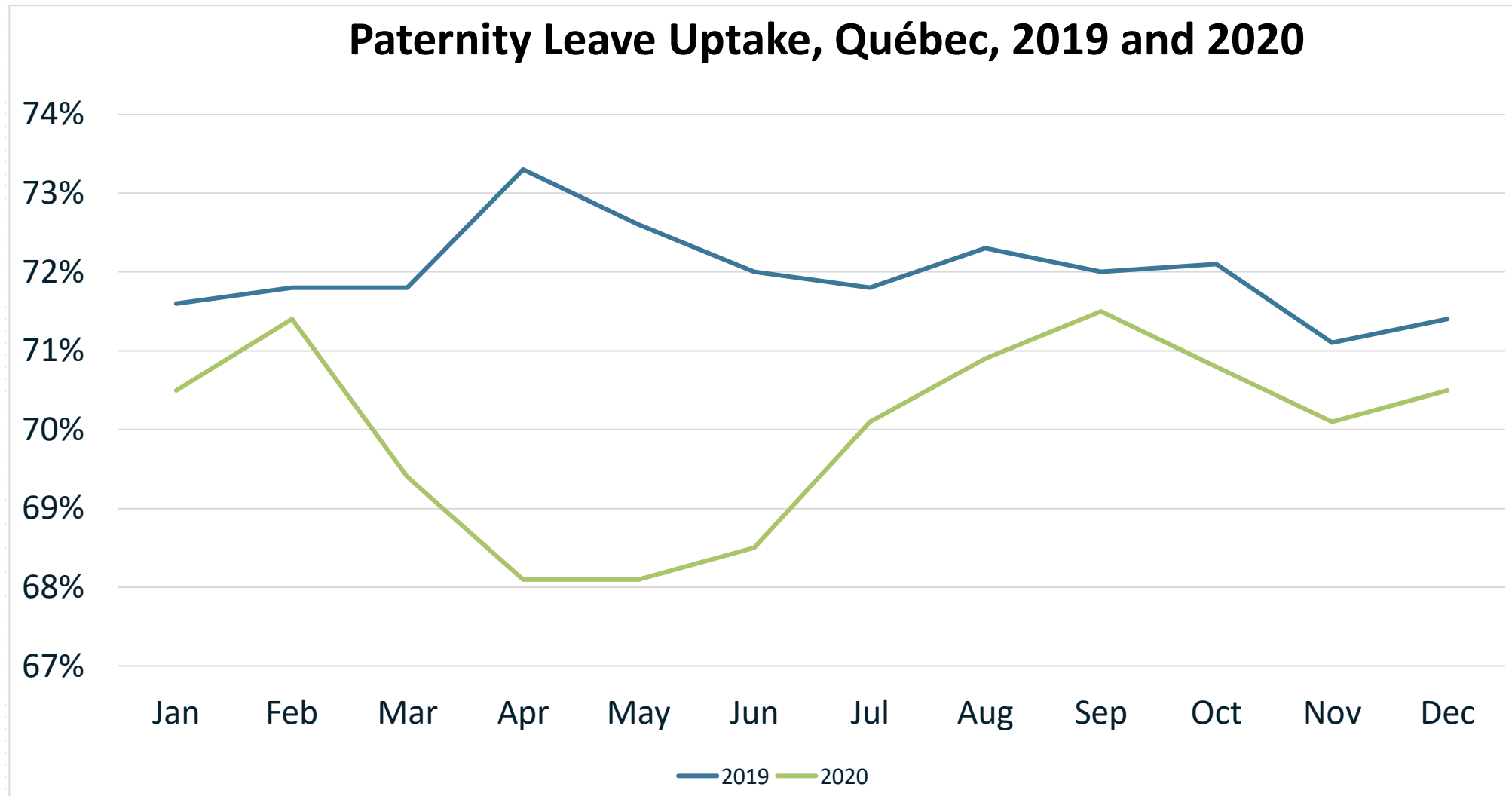
This temporary initiative created an incentive for parents to use the basic plan, as they were guaranteed a minimum benefit of \$500 [€ 367] per week , even when they used the longer benefits.

In Québec, about 30% of all parents covered by QPIP received benefits less than \$500 [€ 367] per week.

2. Parental benefits in Québec during COVID: the decline in the uptake of paternity benefits



2. Parental benefits in Québec during COVID: the decline in the uptake of paternity benefits



Changes in QPIP since 2021 have two goals:

1

Increasing flexibility:

- by allowing parents to use their benefits over a longer period of time
- by allowing parents to get back to work part time while receiving benefits (up to a ceiling)

2

Fostering gender equality:

- by offering more weeks of benefits to parents who share part of the parental benefits (in addition to paternity benefits already in place)



Other objectives :

Adding weeks of benefits for multiple births and solo parents

Adding weeks of benefits for adopting parents (so they have the same number of weeks of benefits as biological parents, which was not the case prior to 2021)

Increasing financial support for low-wage working families

Recent changes in QPIP (since Jan 2021)

	Basic plan	Special plan
Period during which benefits can be used	78 weeks (instead of 52 weeks as prior to Bill 51)	
Additional weeks of benefits (for biological and adopting parents)	4 weeks paid @55%, when each parent uses a minimum of 8 weeks of sharable parental benefits (out of 32)	4 weeks paid @ 55%, when each parent uses a minimum of 8 weeks of sharable parental benefits (out of 32)
Exclusive benefits (for multiple births or adoptions and for solo parents)	5 weeks (for each parent in case of multiple birth) @ 70%	3 weeks at 75% (for each parent, in case of multiple birth)
Adoption-related welfare and support benefits Shareable Benefits	13 weeks @ 70% of income	14 weeks @ 75% of income

Recent changes in QPIP (since Jan 2021): offering better support to low-income working families

	Former measures	Since 2021
Reference income	Net family income	Individual average weekly income
Admissibility threshold	Family income < \$25,921	Individual income < \$28,080
Indexation	No indexation	Indexed to a full-time minimum wage salary (40 hours per week)
Cap	Single rate: 80 per cent of income	Differential rate: • 85 per cent of the income under the basic plan. • 100 per cent of income under the special plan
Payment of the top-up	One parent at a time, even if both parents are receiving benefits.	Can be paid to both parents if they are both eligible

Reflections on benefit uptake in post-pandemic era

- QPIP is NOT a universal policy: about 11% of births are not covered. For 89% of all births, at least one parent claim benefits;
- QPIP is not a care policy; it is a labour market policy;
- A significant proportion of families (~30%) receive low benefits;
- Parents want time (the longer leave has historically been the most popular)... and money (the longer leave is even more popular when there are minimum benefits guaranteed);
- Even when offered non-transferable benefits and high replacement levels, many fathers choose not to use benefits, especially in uncertain times;

New questions:

Will parents continue to claim benefits when they can work from home?

Will the incentives for fathers to share parental benefits be effective?

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*Thank
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