

Pregnancy and Parental EI Benefits for Self-Employed

BACKGROUND

- Recommendation 5.25 of the Wilson Report, *Touchstones for Change: Equality, Diversity and Accountability*, “that the federal government extend maternity and parental leave benefits under the Unemployment Insurance scheme to self-employed individuals” was adopted by CBA Council at the 1995 Mid-Winter Meeting.
- In 2001, CBA wrote to the federal Minister of Human Resources Development, asking to extend EI pregnancy and parental benefits to the self-employed. The Minister responded that the government would “continue to study” the social and economic trends of the self-employed and related policy implications for the program.
- Council adopted a resolution on [Employment Insurance Maternity and Parental Benefits](#) at the 2003 Mid-Winter Meeting in Banff. This was included as a priority issue in CBA’s 2005 submission for the pre-budget consultation.
- In Spring 2007 the Equity Committee attended, along with a number of other self-employed representatives, a meeting with senior ministerial staff at the HRSD on this issue.
- The Quebec government established the Quebec Parental Insurance Program (QPIP) to replace federal EI maternity, parental and adoption benefits for Quebec parents. QPIP came into force in January 2006. Benefits are paid to eligible workers, salaried or self-employed.
- Under the QPIP, beneficiaries can chose to receive a higher rate of benefits for a smaller amount of weeks. Eligibility for QPIP is also easier than EI, with only \$2000 of earnings in the past year required (net income for self-employed), a higher maximum insured earnings (\$59,000), and higher maximum weekly benefit.

CURRENT STATUS

- Equality Committee commissioned research by Dr. Richard Shillington on the impact of extending maternity and parental benefits to the self-employed under EI and a national program structured like QPIP. Dr. Shillington found that extending these EI benefits would increase beneficiaries and benefit expenditures only moderately and could be offset by premiums and taxes paid on benefits.
- In October 2008, CBA wrote to all party leaders during the election campaign, listing EI maternity and parental benefits for the self-employed as a priority issue for the legal community. In December 2008, CBA wrote to Minister Finley, providing Dr. Shillington’s report and urging the government to proceed with its promise to extend EI maternity and parental benefits to the self-employed, noting: “In a time of financial instability it is even more essential that parents have appropriate income support for maternity and parental leaves, regardless of income source.” CBA said it would welcome an opportunity to work with the government to develop the new program.
- Budget 2009 indicated that, “The Minister of Human Resources and Skills Development will be asked to establish an Expert Panel that will consult Canadians on how to best provide

self-employed Canadians with access to EI maternity and parental benefits.” In April 2009, CBA President Guy Joubert met with senior HRSDC staff to discuss the expert panel.

- In December 2009, *Fairness for the Self-Employed Act*, received Royal Assent. (S.C. 2009, c. 33) It extends maternity, parental, sickness and compassionate care benefits to the self-employed who “opt in” to the program for a year prior to claiming benefits. As a transitional measure, those who register by April 1, 2010 can collect benefits as early as January 1, 2011.
- CBA has posted information on its website to make Canadian lawyers aware of the new legislation and transitional provisions. It coordinated information sessions with CBA Branches and Service Canada to inform lawyers about opting in to the new program.
- QPIP has been made more flexible, allowing maternity and parental benefits to be collected alongside income for part time work and permitting recipients to take a series of short leaves within a defined period rather than taking all benefits at once. Equality Committee will assess changes to parental benefits in Quebec and internationally to inform any advocacy to increase flexibility in the EI system to better support the self-employed.

NEXT STEPS

- CBA will continue to monitor the legislation to ensure that it meets the needs of the self-employed.