



# Family Leaves

## Rapid Response Survey

Survey date: April 2017

No. of participants: 118

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Employee benefit programs can do more than provide health benefits and insure against risk, they can also promote loyalty and empower individual employees to make balanced life choices. This Aon survey looks at family-friendly leave policies, and more specifically, at the practice of providing financial “top-ups” to supplement employment insurance benefits.

Family care, and in particular, care for newborn or newly adopted children, is supported to a degree through time-off, job-protected leaves of absence, and the availability of employment insurance (EI) financial benefits. Changing social norms and recent human rights decisions incent employers to ensure their policies further support their employees’ family obligations. The results of this survey show that while employers are doing what is legally required to support workers’ family obligations, relatively few have moved beyond this framework. It may be time to examine whether going above and beyond what is legally required when it comes to family-friendly workplace programs, can influence other important workforce goals like job satisfaction, loyalty, reduced absenteeism, and productivity.

## Top-up Program Policy

Supplemental employee benefit programs or top-ups are formalized policies that allow employers to supplement an employee’s eligible employment insurance benefits, up to 100% of normal weekly earnings.

Percentage of employers providing a top-up		
Maternity leave	58%	Among those who top-up maternity benefits, 57% top-up through the entire leave period of 15 – 18 weeks and two thirds of those top-up between 66% and 100% of normal weekly earnings.
Parental/adoption leave	24%	There is a high degree of variation in the number of weeks a top-up is offered. Where it is offered, 68% top-up between 75% and 100% of normal weekly earnings.
Paternity leave (Quebec only)	13%	A five-week paternity leave is available to birth-fathers in Quebec. Where top-ups exist, 63% top-up between 75% and 100% of normal weekly earnings.

## Policy

One of the reasons employers establish top-up programs is to encourage workers to return to their position at the end of their maternity, parental, or paternity leave. Employers are not restricted from including a return-to-work clause in their policy (e.g., a clause or agreement committing the employee return to work following the leave within a fixed period of time and/or for a minimum period of time, otherwise top-up amounts received must be paid back), yet only 19% of those providing a top-up do this today.

Among employers who provide a maternity leave top-up, 57% do so to align with the medical portion of the maternity/pregnancy leave. Most employers (76%) do not continue top-ups into a period of parental leave. This may indicate that the top-up is designed to meet human rights obligations related to access to sickness benefits, rather than to address workforce issues like return to work or job satisfaction.

19% of top-up policies contain a return-to-work clause

58% of top-up policies make the benefit available to all employees with no distinctions

56% of top-up policies have service requirements that determine eligibility

## Other family-friendly leaves

Many employers allow voluntary leaves of absence that provide support for employees who may require time off to care for an aging parent or fulfill other family responsibilities. Employers are doing their part to recognize the blurred line between work and family that many Canadians experience and support a variety of non-legislated leaves. However, it appears that more often than not, these leaves are not part of a formalized policy tied to an overall workforce strategy; but rather, are reactive and granted on a case-by-case basis upon request.

### Percentage of employers offering specified non-legislated family-friendly leaves of absence

43%	Parental/paternity leave other than a legislated parental leave
41%	Family care other than a legislated family responsibility leave to provide assistance through illness or crisis
21%	Eldercare/care of an aging parent

## Expansion of EI parental benefits

The March 2017 federal budget introduced a plan that would allow parents to choose to either receive EI parental benefits at a lower benefit rate of 33% of weekly insurable earnings for an extended period of up to 18 months or receive benefits at the current 55% of weekly insurable earnings for 35 weeks over a period of up to 12 months. Survey results show that most employers have not decided whether they will take action on this proposed change. As the extension of EI benefits pertains to parental leave only, and since only 24% of employers surveyed provide limited duration top-ups during parental leave, this will be a non-issue for many employers from a top-up perspective. For those who do offer a top-up during parental leave, it could have a significant cost impact. For all employers, the prospect of a lengthened period of job protected parental leave adds complexity to an increasingly intricate leave of absence map. Employers must begin to go beyond legislative compliance, to determine the philosophical and strategic workforce goals behind family-friendly leaves of absence programming.

### Will employers make changes to top-up programs to accommodate EI benefit expansion?

Will not make any changes	35%
Will consider lowering the target income replacement rate to manage costs associated with a 33% earnings replacement base	31%
Undecided or subject to collective bargaining	29%
Will rethink the cost effectiveness of providing a top-up program at all	5%