

Federal Employment Insurance and Parental Leave Benefits Update

Just the Facts

Before December 31, 2000, the Federal EI program provided *Maternity Benefits* of up to 15 weeks for natural mothers and *Parental Benefits* of up to 10 weeks (which can be shared by the parents). With a few exceptions, most provincial employment standards legislation was in line with the EI Parental Benefits.

Effective December 31, 2000, the Federal government extended Parental Benefits under the EI program *from 10 weeks to 35 weeks*, for children born or placed in parents' care on or after that date. Eligible Canadian employees are now entitled to receive up to 50 weeks of combined EI Maternity and Parental Benefits.

At the time of writing, not all provincial labour standards require employers to guarantee an employee's job (among other requirements) for the duration of the new EI benefits:

- To date, all provinces except Saskatchewan have passed legislation to bring labour standards in line with the new federal EI standards effective December 31, 2000. Quebec legislation has been in place for a number of years, while federal labour codes and employment standards for the other four provinces were only amended recently.
- At this time, Saskatchewan has not indicated their intent to follow suit in the near future.



WHY SHOULD YOU CARE?

Why should I care about the new parental leave guidelines? Federally regulated companies and provincially regulated companies operating in provinces other than Saskatchewan must comply with the new provincial labour standards as of December 31, 2000.

Communik is written, designed and produced by Team Krieger. **We want to know what you think!** Please email us your benefits, pensions and communications questions or suggestions to:



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The ramifications for employers to comply with new provincial labor standards are as follows:

- Staff planning may become more complex as employees' jobs (or similar jobs) are guaranteed for a longer period of time;
- Staffing requirements and work flow disruptions may increase as a result of longer absences from work; and
- Benefit and plan administration costs may increase where benefits are extended during the leave period.

Presumably, no changes are required to any EI Maternity Leave "top-up" arrangements during the health-related portion of leave (or the entire leave). Employers who provide EI Parental Leave "top-ups" may be faced with longer payment periods as a result of this change.

Some national employers have announced that they will apply the new Ontario Employment Standards Act for Parental Leaves in all provinces of operation, including Saskatchewan. This is a reasonable action to comply with the new Federal EI Parental Benefits and where national equality is a corporate HR objective.

The **Ontario** government amended the Employment Standards Act on December 31, 2000 to require Ontario regulated companies to guarantee an employee's job (and other items) for:

- Up to 52-weeks for natural mothers (i.e., 17-weeks of maternity leave plus 35-weeks of parental leave); and
- Up to 37-weeks of parental leave for other new parents (natural or adoptive).

Krieger & Associates is pleased to assist you in reviewing your parental/adoption leave policies to ensure compliance and to help you communicate any changes to employees. Contact one of our professionals at:

(416) 363-1221 or email us at communik@kriegerandassociates.com

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- ✓ **You need to review your existing parental/adoption leave policies and revise them retro-actively to December 31, 2000** to comply with the applicable legislation, unless you are not federally regulated and operate exclusively in Saskatchewan.
- ✓ **If your company operates in Saskatchewan**, you will need to decide if you will only comply with the current Saskatchewan legislative requirements or adopt a national change.
- ✓ **If you decide to maintain separate provincial leave practices in Saskatchewan**, ensure you monitor the progress of any changes to the parental leave legislative in Saskatchewan so you can change your policies at the appropriate time.
- ✓ **If you provide EI Parental Leave "top-up" payments**, make sure to review your existing policies to determine if you want to extend payments during the full Parental Leave period.
- ✓ Of course, you should effectively communicate any changes in parental/adoption policies to employees.

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