



Overview of Québec Parental Insurance Plan

July 13th 2018

15th Annual Seminar

International Network of Leave Policies and Research

*Conseil de gestion
de l'assurance
parentale*

Québec 

Purpose of the plan

- Provide income replacement for parents who are taking time off work to care for a child. This income replacement helps them stay financially secure, facilitate family-work balance and maintain employment link
- Not aim to encourage childbearing



A social movement

1990: Foundation of the Grouping for a Québec Parental Insurance Plan (GQPIP) composed of unions and community groups

Claims of the GQPIP:

- Implementation of a Québec Parental Insurance Plan (QPIP)
- Better access to maternity/paternity/parental leave benefits:
 - Reduction of eligibility criteria
 - Make self-employed eligible
- Improvement of maternity/paternity/parental leave benefits:
 - Abolition of the waiting period
 - Longer duration of benefits
 - Benefit weeks reserved to fathers
 - Higher replacement rate

1996: Summit on Economy and Employment held by the Government of Québec



Path leading to QPIP

- March 1997:** Beginning of the negotiations between the government of Québec and the government of Canada about the QPIP
- June 2000:** Deposit of Bill 140 about the QPIP at the Assemblée Nationale
- December 2000:** Increase from 10 to 35 weeks of parental leave benefits allowed by Employment Insurance (15 weeks of maternity leave remained)
- February 2005:** Signature of the Canada-Québec final agreement on the QPIP
- June 2005:** Adoption of modifications to Bill 140 adopted in 2001
- January 2006:** Entry into force of the QPIP



A glance at the QPIP

Main eligibility criteria

- Be resident of the province of Québec
- Have labor income of at least \$ 2,000 during the reference period (last 12 months in general)
- Have stopped working or seen a reduction of at least 40% in labor income

Type of benefit	Basic Plan		Special Plan	
	Number of weeks	Replacement rate	Number of weeks	Replacement rate
Maternity	18	70%	15	75%
Paternity	5	70%	3	75%
Parental	7	70%	25	75%
	+ 25	55%		
Adoption	12	70%	28	75%
	+ 25	55%		



Some interesting facts

From 2006 to 2017...

- Nearly 1.5 million people benefited from the QPIP to care for some 900,000 children
- More than 20 billion dollars were paid in benefits

Mostly middle-class families

- Average insurable earnings :
 - Around \$ 41,000 for women
 - Around \$ 51,000 for men

QPIP participation rate of 88%, up since 2006

- In 69% of the cases, both parents claim benefits
- In 20% of the cases, only the mother claims benefits
- In 11% of the cases, only the father claims benefits

Overall benefit weeks utilization rate of 95%

- 97% on the basic plan
- 91% on the special plan

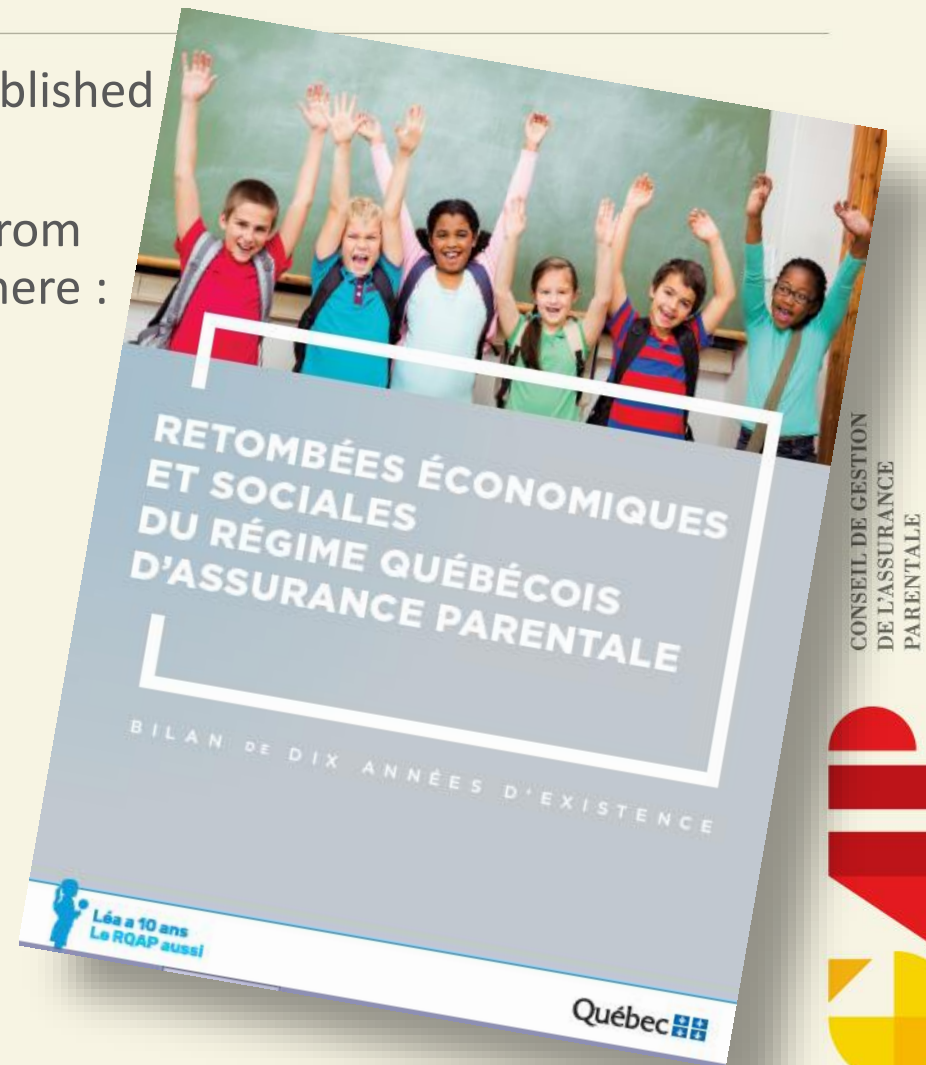
The great favorite of QPIP beneficiaries: the basic plan

- In 74% of the events covered, the basic plan is chosen
- Self-employed workers, however, prefer the special plan at 57%



An objective appraisal

- Allowed releasing robust and unpublished findings
- Associated university researchers from the province of Québec and elsewhere :
 - Andrea Doucet
 - Guy Lacroix
 - Sophie Mathieu
 - Lindsey McKay
 - Erin M. Rehel
 - Diane-Gabrielle Tremblay
 - Annick Vallière
 - And others
- Based on recent scientific publications
- Enriched by two original studies commissioned by the CGAP



Impacts of the QPIP

The arrival of the QPIP had an impact on the behaviour of:

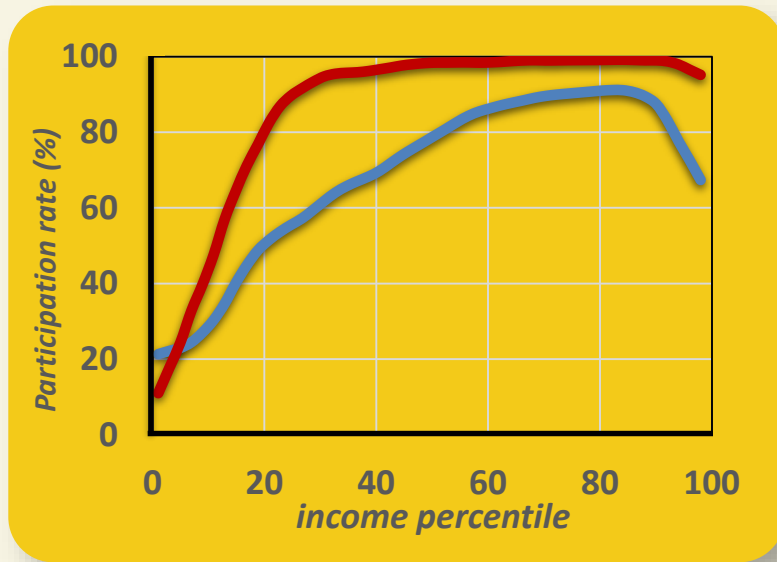
- mothers:
 - A significant increase in mothers' participation since 2005 (12pp in 2006; 17pp in 2010 and 17pp in 2015)
 - Greater impact on mothers in low-income households
- fathers:
 - A tremendous increase in fathers' participation since 2005 (21pp in 2006; 50pp in 2010 and 58pp in 2015)
 - Smaller impact on fathers in low-income households

QPIP have allowed mothers to increase their labor income of 2.3% more on average during the 5 years following childbirth

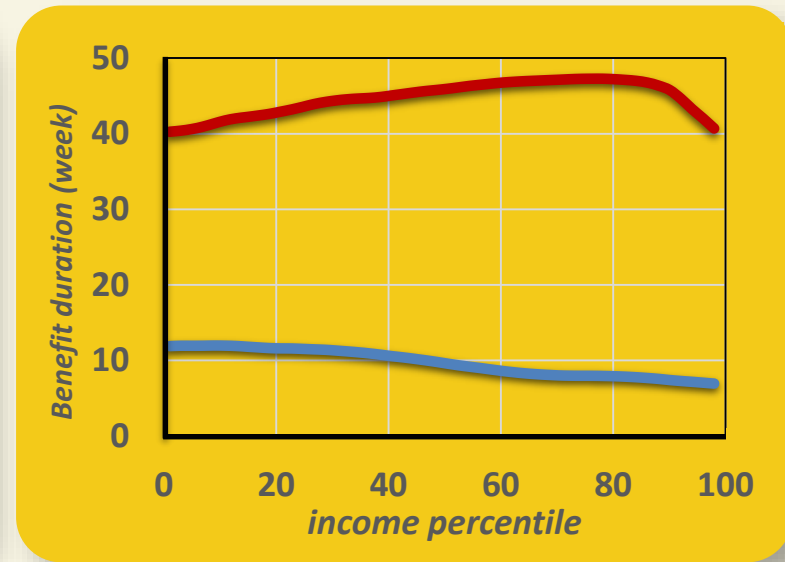


Income level

- Correlation between QPIP participation rate and parents' labor income



- Correlation between benefit duration and parents' labor income



— Mothers — Fathers



Births

- The increase in births observed since 2006 can be attributed to many variables involved in the decision of having a child
- QPIP had a positive, albeit small, effect on fertility (closer births)
- Still early to determine whether the QPIP had or not an effect on the total number of children a woman will have in her lifetime



Concluding remarks

- The QPIP is the result of a long process having involved all parts of society
- Benefits reserved to fathers
- Two types of plan for families :
 - A longer plan (55 weeks) with a lower replacement rate (31 weeks at 70% and 26 weeks at 55%)
 - A shorter plan (43 weeks) with a higher replacement rate (75%)
- High participation rate for mothers (89%) and fathers (80%)
- Participation rate and QPIP's impact vary according to income level
- Small impact on fertility rate in the short run

