

### **Budget 2017 says all the right things but women still pick up the tab**

Budget 2017 has the gender lingo down. Child care get 50 hits. Women get 276. While the right words are said, the proposals have a 1970s ring. Hopes are pinned on moving more mothers into the workforce; once there they can pay their own way.

Budget 2017 takes a four-pronged approach to recruiting and retaining mothers' labour force participation.

**Parental leave:** Parental leave is extended by stretching 12 months of payments into 18 months. Expectant mothers may begin claiming maternity benefits up to 12 weeks before their due date, an increase from the current eight weeks.

Estimated to cost \$38.6 million a year over the next five years, the low number is an indication that even the finance department expects few women to avail themselves. At 55% of earnings the EI-backed program currently pays out a maximum \$543 a week. Drawn-out over 18 months, and at 33% of maximum earnings, the weekly benefit drops to \$326.

The provision only applies to workers covered by the Canada Labour Code. Provinces will need to change their legislation to follow suit. With only two thirds of new mothers outside Quebec collecting parental benefits, an even smaller elite -- those whose employers top up their leave -- are likely to enjoy the new provision.

Ironically this first gender-analyzed budget proposal could inadvertently discriminate against women. It contains no use-it-or-lose-it portion of the leave for the second parent, giving employers incentive to pass over women of child bearing age for those unlikely to get pregnant.

Nevertheless the concept of an extended leave is positive. Perhaps the parliamentary committee examining parental leave can breathe some reality into it.

**Child care:** The headlines scream \$7-billion for child care but dial back the enthusiasm. New funding creeps up from \$500-million this year to \$550-million a year over the next five years. It is not until post-election and another five years before annual funding tops out in 2028 at \$870-million. Over a decade ago Paul Martin Liberals came out of the gate with \$1-billion a year over 5 years and a plan that continued to shape provincial child care services long after the Harper government extinguished the money.

The Trudeau plan has yet to be announced. The provinces have been waiting for the feds to come back to the table. Budget 2017 estimates the money will add 40,000 new spaces countrywide over the next three years. Current costs for developing new child care facilities start at \$30,000 a space and balloon when centres are located in remote areas or on expensive real-estate. This Budget offers \$12,500/space.



The Budget has high hopes for the money, relying on it to bring more mothers into the workforce, reduce the high fees parents now pay and protect women and children from poverty and violence. Interesting only once – on page 131 -- does it suggest that child care might be good for children. In the absence of a plan it is not known if the provinces and territories will be able to use the money for new child care facilities, or to subsidize parent fees or staff wages.

Quebec shows that child care can reduce poverty and support women's workforce participation, but to get those results Quebec spends in the region of \$3.2-billion annually.

**Student loans:** Tangential to child care is the expansion of student loans and grants, allowing part-time students who support families to enter or re-enter the workforce. This is expected in part to entice more recruits to child care work. Starting in the 2018-2019 academic year the initiative will cost \$167-million over four years. The budget also includes \$287.2-million over three years starting next year for a pilot project to test changes to student loan and grant rules to help more adults return to school.

**Foreign caregiver program:** Families earning less than \$150,000 annually will no longer pay the Labour Market Impact Assessment processing fee when hiring a foreign caregiver to provide child care. The cost is estimated at \$24.5 million over five years, starting in 2017-18, and \$4.9 million per year thereafter.

And that's it. Canada's first gender sensitive budget leaves women feeling they can have it all, only if they're able to pay for it.

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