



International Policy Comparison of Canada's Compassionate Care Benefit

Summary

The federal Compassionate Care Benefit (CCB) was implemented in 2004 through the Employment Insurance (EI) program as a mechanism to provide support directly to employees with gravely ill kin. Employed caregivers in Canada are entitled to take up to eight weeks leave from work and receive partial income replacement for six weeks to support close kin who are dying. By systematically comparing family care leave policies in Canada, Japan, Sweden and California, we identified the strengths and limitations of the CCB. We found that:

- CCB has a narrow scope focusing exclusively on end-of-life care to a family member at risk of dying within 26 weeks. The nature of the care in California is less stringent, where support is given to those people providing care to those with serious injuries, illnesses or conditions.
- CCB is available only to those caregivers who are currently employed, who have accumulated 600 insured hours in the past 52 weeks and who are caring for immediate family members. Co-residency is not an eligibility criterion as it is in Japan.
- Sweden's leave is the most inclusive of all caregiving and employment situations, in which people caring for family, friends or neighbours are eligible as long as they have contributed to national social insurance sickness benefits. All workers including part-time and self-employed workers are eligible too, unlike Canada.
- CCB has the shortest and least flexible length of leave. Eligible caregivers are entitled to up to six weeks compensation within a six-month period. The leave program in California offers more flexibility on a per diem basis than the CCB, while the length of leave in Sweden and Japan is the most generous allowing up to 60 and 93 days respectively of paid leave.
- Only the care leaves in Canada and Sweden entitle the individual to job protection; the job security of caregivers in Japan and California is at risk.
- Compensation for eligible caregivers varies widely among the four jurisdictions. Although the CCB benefit rate (55%) lies between those of Japan (40%) and Sweden (80%), the average payment to beneficiaries of the CCB was among the lowest at \$1425 (range \$1001 - \$2549).
- Social insurance schemes like those in Sweden and California are able to support a wider range of caregivers than are programs embedded in Employment Insurance systems as in Canada and Japan.
- In addition to the expansion of the CCB in 2005 to include care to extended kin, other ways in which the CCB can be strengthened to better support family caregivers include: increasing the amount of the benefit, broadening the scope beyond end-of-life care, allowing access to employees working part-time or in non-regular employment situations, improving flexibility by permitting leave on a daily rather than weekly basis, increasing the amount of time off parallel to the EI parental leave, and promoting widespread program awareness.

Currently 2.7 million family/friend caregivers aged 45 and older provide support to family members and friends with long term health problems¹. Many caregivers care for years, incurring costs to their own income, employment, health and well-being.

The federal Compassionate Care Benefit (CCB) was implemented in 2004 as a means of addressing some of the employment impacts on Canadians who leave work to support gravely ill family members. Established through the Employment Insurance (EI) program, the CCB entitles employees to take up to eight weeks leave from paid work, and receive partial income replacement for up to six weeks, to support a dying family member.

While the establishment of the CCB is a first step towards directly supporting family caregivers, comparing it to similar programs in other jurisdictions can inform and strengthen the program.

Research Objectives

To compare Canada's CCB with similar care leave policies in 3 selected jurisdictions:

- Japan—Family Care Leave
- Sweden—Care Leave Act

¹ Cranswick, K., & Dosman, D. (2008). Elder-care: What we know today. *Canadian Social Trends*, Winter, 48-55.

- California—Paid Family Leave

Data Source

We used a two-phase approach to collect data.

1. An **environmental scan** of more than 20 countries to identify income support programs for employees with special care responsibilities similar to the CCB.
2. A **systematic in-depth comparison** of leave policies in Canada, Sweden, Japan, and California to understand the scope and specific parameters of leave programs. This involved drawing on existing contacts and literature sources, searching the internet and communicating with key informants familiar with each jurisdiction's policies. We also reviewed academic literature, legal acts, regulations, annual reports and comparative studies.

Analysis

Data were examined and compared across the four jurisdictions in terms of:

- scope of leave
- eligibility criteria
- length of leave
- benefits

By analyzing paid leave policies in other jurisdictions, we identified the strengths and

limitations of the CCB.

CCB has a narrow scope

Canada's CCB and Sweden's Care Leave Act have a more narrow scope compared to care leaves available in Japan and California (see Table 1). In Canada and Sweden, the care leaves focus exclusively on people with a gravely ill relative as judged by a physician. The CCB is available only to those employees who have a medical certificate stating that the person they are supporting is likely to die within 26 weeks, while there are no such definitive time frames specified in Sweden's Care Leave Act.

In contrast, the intent of leave programs in Japan and California is much broader in terms of the nature of the care receiver's illness. Employees in California are eligible to the leave if they care for someone with a serious health condition that requires admission to a medical facility or continuing treatment by a health care provider as deemed by a physician. Similarly, the Family Care Leave in Japan requires the care recipient to be in need of constant care due to an injury, illness or disability. Thus care leaves in California and Japan are available to those caring for people with life threatening or serious chronic conditions, not only terminal illness.

Eligibility criteria varies across jurisdictions

Eligibility criteria varies across the four jurisdictions in terms of employment situation of the caregiver, and relationship between and proximity of the caregiver and care receiver (see Table 1).

Employment. Leave programs in Canada and Japan are targeted at caregivers in the labour force in contrast with models in other jurisdictions. Eligibility for the CCB is available to employees who have accumulated 600 insured hours in the past 52 weeks. Similarly in Japan, employees are eligible for the leave if they have worked more than 11 days in a month for more than 12 months in the past two years. These employment criteria limit accessibility to those whose labour force participation is regular and full time.

In comparison, eligibility for care leaves in Sweden and California are extended to all

Table 1. Program Eligibility Criteria by Jurisdiction (2005)

	Canada	Japan	Sweden	California
<i>Policy</i>	Compassionate Care Benefit	Family Care Leave	Care Leave Act	Paid Family Care Leave Benefit
<i>Legislation</i>	Employment insurance	Employment insurance	Social insurance	Social insurance
<i>Nature of care</i>	End-of-life care	Dependent care	End-of-life care	Serious health condition
<i>Relationship</i>	Parent, spouse or child	Extended family who co-reside with caregiver	Family, friends, or neighbours	Parent, spouse, or child
<i>Employment</i>	Employee must have accumulated 600 insured hours in the past 52 weeks	Employee must have worked more than 11 days in a month for more than 12 months	Employee must be contributing to sickness benefits	Employee must be contributing to State Disability Insurance benefits
<i>Proximity</i>	No restrictions	Care receiver co-resides	No restrictions	No restrictions

workers, including part-time and self-employed workers providing they have contributed to national social insurance sickness (Sweden) or State Disability Insurance (California) benefits.

Relationship. When compared with other jurisdictions,

eligibility for the CCB and the care leave in California are limited to people caring for immediate family members only—a parent, spouse or child. Conversely, Sweden’s leave is the most inclusive of all situations, in which people caring for family, friends or neighbours are eligible.

Table 2. Program Utilization Rates by Jurisdiction

	Canada	Japan	Sweden	California
<i>Year</i>	2003-2004	2004	2003	2004-2005
<i>Maximum entitlement</i>	6 weeks	93 days	60 days	42 days
<i>Average length</i>	30 days	n/a	10 days (2004)	33.6 days
<i># of beneficiaries</i>	1,755	4,986	9,550	16,500
<i>Benefit Rate</i>	55%	40%	80%	55-60%
<i>Average payment per beneficiary</i>	\$1,425	\$2,532	\$1,001	\$2,549

Proximity. While the care leave in Japan is available to those providing care to extended family members (including grandparents, siblings or grandchildren), the family member in need of care must live with the caregiver. Compared to other jurisdictions, co-residency is unique to Japan.

CCB is shortest and least flexible

In comparison to benefits available in other jurisdictions, Canada's CCB is the shortest and least flexible (see Table 2). Eligible employees in Canada are entitled to six weeks of compensation within a six month period. Any portion of a week taken is counted as one week towards employees' six-week entitlement. Although the length of leave is similar in California, the 42 days can be used consecutively or intermittently within a twelve-month period thereby offering more flexibility to caregivers. Programs in Sweden and Japan are the most generous allowing leaves of up to 60 and 93 days respectively.

CCB benefits are modest

In Canada and Sweden, the jobs of eligible caregivers are protected under program parameters, unlike those in California and Japan which entitle the individual only to a right to leave, leaving their job security at risk.

Compensation for eligible caregivers varies widely among the four jurisdictions. Although the benefit rate is the lowest in Japan at 40%, the average payment to beneficiaries was higher than in Canada where the benefit rate is 55%. In 2003-

2004, the average payment made to eligible caregivers was \$1425 in Canada and \$2532 in Japan.

Although benefit rates are similar between Canada and California, in which eligible caregivers are entitled to 55%-60% of their regular employment income, the maximum weekly benefit for eligible Canadian caregivers is less than half of that in California (\$413 in Canada vs. \$852 in California).

While eligible caregivers in Sweden are entitled to 80% of their regular employment income, the highest rate across all jurisdictions, the average payment to beneficiaries in Sweden was the lowest in comparison at \$1001.

Policy Implications

Care leaves embedded in social insurance systems are able to support a wider range of citizens than are programs embedded in Employment Insurance systems. Embedding the CCB in the national EI system presents specific challenges as it limits use to those employees currently in the labour market full time and whose regular weekly earnings have decreased by more than 40%. Caregivers who are self-employed, who work part-time

or in temporary, contract or seasonal jobs may not qualify; those caregivers who have already left the labour force to provide care are ineligible.

Since 2005, eligibility for the CCB has expanded to include extended family members, such as siblings and grandparents. Other ways in which the CCB can be strengthened to better support family caregivers include:

- Increasing the amount of the CCB benefit
- Broadening the scope to include those with heavy care needs due to illness, injury or chronic health conditions
- Modifying the employment criteria to allow access to caregivers who work part-time or in non-regular employment situations
- Improving the flexibility of six weeks leave from a per week to a per diem basis
- Increasing the length of the care leave commensurate with EI parental leaves
- Promoting national awareness of the CCB program with physicians, employers and the public.



This FACT sheet was developed by Allison Ruud, HCIC Undergraduate Student based on the Keefe & Fancey (2005) final report *International Comparison of Canada's Compassionate Care Benefit*. For more information contact Dr. Janice Keefe at janice.keefe@msvu.ca.

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