A Comparative Study of Maternity Leave Systems in the United States and Canada

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Abstract: Since World War II, Western countries have paid more and more attention to protecting workers' rights and interests. Various laws on employment security have been passed in turn, and the value of women has been highlighted. At the social level, women can be used as an effective supplement to the social labour force to ensure the continuous output of social productivity and, at the same time, effectively improve the social status of women; At the household level, in order to improve the low birth rate after World War II, effectively ensuring women's rights and interests can strengthen the role of female "mothers", effectively increase fertility rates and ensure the health of newborns. With the exploration of women's value, how women should balance family and work has received widespread attention, and the implementation of maternity and various family benefits has protected women. However, as "neighbours," the United States and Canada have very different attitudes regarding women's maternity benefits. This paper attempts to use case studies to explore why maternity benefits in the United States are less generous than those in Canada, which is also an economically developed country. Paid maternity leave is only partially impassable for the United States, but it has difficulties. The study shows that the US reluctance to provide paid leave at the national legal level is related to its market and family policies, ideology, company values, and popular support. It further explores possible recommendations for the reality of maternity benefits in the United States.

Keywords: paid maternity leave, gender inequality, neoliberalism

1. Introduction

Maternity leave has positive effects in many ways. For newborns, if the government or company offers paid maternity leave, parents will have enough money to support their children while they are on maternity leave. In this way, the survival rate of newborns can be improved. Parents also have enough financial ability to provide a suitable environment for their children to grow up and even enrol them in interest courses.

Second, it was noted that maternity leave allows women enough time to recover and care for their newborns after giving birth, relieving them of the pressure between work and family [1]. Not only does this help their physical and mental health, but it also increases productivity and reduces employee turnover.

It was clearly suggested that maternity leave can promote gender equality and family balance [2]. Without maternity leave, women face significant financial and time pressures, often leading them to

quit their jobs or work fewer hours after giving birth. This situation affects women's career prospects and economic status, constraining gender equality. Furthermore, with maternity leave, women can take better care of newborns and families and have more time to manage their careers and families, which enhances their autonomy and sense of family responsibility because parents have more time which can Enhance the intimate relationship between mother and baby. In addition, it can bring some social benefits, such as enhancing the stability of the labour force, having a stable wage that will reduce the public's demand for public welfare, and even narrowing the social status gap between men and women.

The implementation of paid maternity leave in Canada stems from the pursuit of gender equality and the emphasis on family care and work balance [3]. In the past, discrimination and lack of support for women in the workplace were rife in Canada, like many other countries. Many women are forced to quit their jobs or give up their careers to care for newborns and families. This restricts women's economic status and career prospects, seriously affecting gender equality and economic development. To solve this problem, the Canadian government introduced a paid maternity leave policy in 1971. The initial policy provided only a tiny portion of the salary to new mothers but gradually improved over time. In 2000, the government introduced the "Father's Shared Parental Leave" policy, which allows both fathers and mothers to take care of children and receive some salary support. In 2017, Canada again expanded the length of maternity leave and welfare subsidies, extending maternity leave from the original 12 weeks to 18 weeks, and plans to further increase this number to one year.

In conclusion, the background of Canada's implementation of paid maternity leave stems from the pursuit of gender equality and the focus on family care and work balance. The implementation of this policy aims to promote equality between women and men in the workplace, alleviate the economic pressure on women from newborns and families, and bring about a more just and equal prospect for Canada's economic and social development.

The United States provides maternity benefits mainly to protect the health of women and newborns and help women better balance work and family life. It is worth noting that US law only stipulates 12 weeks of unpaid maternity leave, which means that women do not have a stable source of income during the 12 weeks of maternity leave. Their primary responsibility is to take care of their children at home.

Studying the past academic literature, there are different angles to mention the respective maternity leave benefits of the United States and Canada. However, only some pieces of literature make a comprehensive comparative analysis of the two. This article uses case analysis and literature review to explore why the United States cannot provide paid maternity leave comparable to Canada. As a world power and geographical neighbour, why is the maternity leave benefit in the United States less generous than in Canada? Moreover, at the end of the article, it puts forward the limitations of Canada's long-term implementation of maternity leave benefits.

2. Literature Review

2.1. Macro Level

Some researchers noted that maternity leave policies are an essential aspect of work-family balance, and they have significant impacts on women's labour force participation, employment outcomes, and overall health [1]. The benefits of maternity leave policies include reducing stress levels, promoting breastfeeding, improving infant health outcomes, and supporting women's labour force participation.

From the perspective of social development as a whole, maternity leave can also play a role in promoting economic growth. Besides, maternity leave can help women adjust their life-work

balance better, leading to higher labour-force participation and productivity [2]. In addition, maternity leave can also help enterprises reduce the turnover rate, recruitment costs and employee training costs, thereby enhancing the development competitiveness of enterprises.

Moreover, it is clear that maternity leave allows women enough time to recover and care for their newborn after childbirth, reducing stress and helping them balance work and family life [2]. In addition, maternity leave promotes gender equality, better protection and opportunities for women in the workplace and motivates men to become more involved in family affairs.

It was also suggested that maternity leave policies significantly impact the employment situation of new mothers [4]. New mothers on maternity leave are more likely to be re-employed after giving birth and to remain employed for longer. This difference is mainly due to the increase in the willingness of new mothers to work and the protection of their employment rights through the maternity leave policy.

Most countries worldwide have relevant maternity leave policies, and the Nordic countries have always performed well [5]. These countries have many family-friendly policies and are among the regions with high welfare protection worldwide. In contrast, some countries in Asia and Africa have weaker maternity leave policies. In addition, unlike the traditional mother-based maternity leave policy, more and more countries are beginning to popularize paternity and family care leave, recognizing that maternity leave policy should be a matter of family care and responsibility, not a unilateral responsibility. Besides, European countries have relatively good legal protection and policy implementation in maternity leave [6].

Digging deep behind it, it can be easily concluded that frustrated political boycotts, high costs and doubts undermine the possibility of implementing generous maternity leave policies [7].

2.2. Micro Level

The United States and Canada are both developed countries with advanced economies but have vastly different maternity leave policies. It can be found that Canada's policy framework is also more comprehensive, covering a series of family and medical welfare policies, including child care, child tax relief and other policies, which can help parents of newborns better adjust the balance between work and family [8]. Canada has more progressive maternity leave policies, with the Employment Insurance (EI) program providing eligible employees with up to 15 weeks of paid maternity leave and up to 35 weeks of parental leave. Furthermore, some provinces in Canada have maternity leave laws that provide even more generous benefits.

In contrast, it was noted that maternity leave in the United States is only 12 weeks and that most mothers do not receive full pay [9]. The United States has no federal law mandating paid maternity leave, and only a few states have their own paid maternity leave programs. In the United States, some minimal companies and industries practice maternity leave, and the federal government has not enacted a national law for maternity leave, highlighting the conflict of interest between the government and business regarding maternity leave policies [6]. Some businesses believe they cannot afford the cost and time of maternity leave policies, and the government believes that such policies may impose too much burden on businesses. The main reason why the US government does not mandate maternity leave with full pay is the combination of traditional powerful business interests and anti-protectionist forces and the high cost and low welfare protection are also important reasons [10]. Moreover, some researchers conducted interviews and questionnaires with the American public, describing the inequities in maternity leave policies across income groups [11].

Overall, several studies have compared the maternity leave policies in the United States and Canada and found that Canada's policies are more progressive and comprehensive.

3. Methodology

This paper mainly adopts the methods of literature research and case analysis to analyse further why paid maternity leave is not provided at the legal level in the United States.

First, introduce the length of maternity leave benefits stipulated by the two countries laws and the conditions applicants should have. Canada passed amendments to the Employment Insurance Act in 2001, providing up to 35 weeks of paid maternity leave for women. The Act entered into force on 31 December 2001. In Canada, Employment Insurance covers maternity and parental benefits, but this essay focuses on maternity benefits. Maternity benefits are only available to those away from work because they are pregnant or have recently given birth. They cannot be shared between parents. The person receiving maternity benefits may also be entitled to parental benefits. This benefit is for a total of 15 weeks. Maternity benefits can average 55% of the previous personal salary per week, up to a maximum of $650 weekly. Besides, applicants have to work for at least 600 hours for a company with EI insurance. There is also the case of self-employed. Self-employed persons may be more eligible for maternity allowance due to the precarious nature of their work. Self-employed persons need to register for unique self-employed EI benefits for 12 months before they are eligible for pregnancy benefits and parental allowance, and there are specific income requirements for the previous year. Under US federal law, women can receive 12 weeks of unpaid maternity leave under certain conditions. The law, known as the Family and Medical Leave Act (FMLA), was enacted in 1993. However, it is worth noting that FMLA only applies to qualified employees and employers who meet specific criteria. Eligible employees must have worked with their employer for at least 12 months and at least 1,250 hours in the 12 months before the leave. In addition, FMLA only provides unpaid maternity leave, and employees typically do not receive wages or other compensation during the leave. In contrast, Canada can provide a minimum living guarantee for women while on maternity leave, compared to the difficulty of applying for 12 weeks of unpaid maternity leave in the United States because many applicants cannot meet its strict conditions.

Besides, in the US, each state can also make laws that provide additional maternity leave benefits, so specific maternity leave policies may vary from state to state. It can be roughly divided into rich states and poor states. In California (PFL-Bond with a new child), applicants can receive benefit payments for up to eight weeks if eligible. Approximately 60-70% of the employee's weekly salary (Under September 2022 legislation's phased increase in benefits, by 2025, workers earning less than the state's average wage could receive up to 90% of their regular wages). Besides, California's Paid Family Leave program has had a positive impact on mothers' access to maternity leave, allowing more mothers to claim maternity leave and take paid leave [12]. At the same time, the program has a significant positive impact on mothers in low-income jobs. In Connecticut, it offers 12 weeks of paid time off. Currently, the maximum weekly benefit is $900. Besides, California's Paid Family Leave program reduces health costs for children and parents while increasing women's employment and wage income in the labour market [13].

On the contrary, in Alabama and Mississippi, paid family leave, no law allows for paid leave for employees. There is no doubt that Mississippi has significantly more low-income people than California. Correspondingly, California has enough financial strength to provide paid maternity leave for women. Apparent inequalities between low-income and high-income people. Low-income people often do not have access to enough paid time off or need to choose to compromise between caring for a family and keeping a job [11]. In contrast, high-income people tend to have more options and resources to balance the demands of work and family.

In the late 19th and early 20th centuries, women workers faced many challenges, such as low wages, long working hours, poor working conditions, and lack of education. In order to protect the

rights and interests of female workers, the United States also introduced laws prohibiting women from performing some types of work entirely or partially. It enacted a series of labour laws and social security regulations. However, it is clear that welfare policies can exacerbate gender inequalities [14]. Moreover, when regulations are not enforced, the protection of female workers can be significantly reduced [15]. The gender wage gap is more pronounced in the United States. Although the US government and many companies stipulate that salaries should not vary by gender, in 2019, the median annual salary of women working full-time in the United States remained around 82 cents for men, meaning that for every $1 earned by women, men earned $1.23. Some data also show that women are more likely than men to be paid less, have more challenging opportunities to get promotions, and have to face threats of sexual harassment and discrimination. According to a 2019 survey conducted by Pew Research Center, 37 per cent of US adults still believe that mothers should work full-time as fathers and that both mothers and fathers should take care of their children in the family. However, in the development of the welfare state, social rights are essential for gender equality and justice. It is a pity that US welfare policies focus more on men's self-development and ignore the needs of families and women. Other countries, on the other hand, are paying more attention to the provision of social security and services and the roles and needs of women in marriage and the family.

The United States has always been a society that emphasizes individual responsibility and freedom, and the government is reluctant to interfere too much in corporate and market decisions. As a result, the US has a more minor social security system than countries like Europe and Canada, where generous maternity benefits are no exception. In the area of family policy, Canada has adopted a relatively strong family policy, that is, the family is regarded as the basic unit of social policy, providing adequate family welfare guarantees and services [3]. In the United States, the government has implemented more market-oriented and liberal policies, encouraging individual choice and competition and focusing on the role of market mechanisms.

The US lacks a national legal requirement for companies to provide paid leave for pregnant employees unless the US Family and Medical Leave Act protects those employees. As a result, many small businesses choose not to provide maternity benefits because they cannot afford to spend. Moreover, many companies have strong cultures and values, and some may see generous maternity benefits for employees as a burden. In the United States, some companies offer additional maternity benefits to women to help mitigate the impact of unpaid maternity leave on women's careers. For example, Adobe provides 26 weeks of paid maternity leave and 16 weeks of paid home care leave to all employees and employees with children.

Additionally, employees can combine maternity and home care leave for 26 weeks of paid benefits. Netflix offers paid one-year maternity leave benefits that allow employees to choose their working hours and tasks during that period. Microsoft Corporation provides 20 weeks of paid maternity leave for employees who give birth naturally and adopt children and 72 hours of family supportive care leave for mothers and fathers. These companies are aware of the importance of maternity leave for female employees and their careers, so they offer additional maternity benefits to help women balance the demands of work and family. However, some companies may prefer to invest in employee training and promotion opportunities rather than maternity benefits.

Although US federal law does not require employers to provide paid maternity leave, most companies offer some maternity leave benefits to employees. In addition, some states have enacted maternity leave laws, providing employees with paid maternity leave and protecting their rights at work.

4.   Results

Through the above factual analysis, it can be judged that Canada is more generous than the United States. Also, an economically developed country, the United States does not have paid maternity leave at the legal level, which is a thought-provoking reason. A comparison of cases and a search of relevant literature shows that Canada offers 15 weeks of paid maternity leave for up to $650 per week. The United States only provides 12 weeks of unpaid maternity leave. State policies also differ, with the most straightforward division between rich and poor. Slightly more economically developed states like California offer women paid maternity leave and other benefits.

In contrast, economically disadvantaged states like Mississippi have difficulty guaranteeing women's right to maternity leave. In addition to economic factors, gender inequality can lead to a lack of protection for women's legitimate rights and interests. Compared with Canada, the United States ignores women's family values and roles and does not provide sufficient paid maternity leave to reduce women's willingness to have children. At the same time, men earn better and push women to take on the responsibility of caring for their families rather than working in the workplace. In addition, Another factor influencing differences in maternity benefits between the US and Canada is the two countries' differing values and cultural perceptions. In Canada, family-friendly policies are a common socio-cultural dynamic and social expectation.

In contrast, in the United States, where the culture of individual liberalism predominates, individual choice and freedom of self-reliance remain essential social. Finally, the lack of legal restrictions on women's maternity benefits at the national level in the United States justifies some companies' criticism of women's leave. Nevertheless, it is undeniable that more and more companies are discovering the value of women and are willing to provide women with benefits such as paid maternity leave.

5.   Discussion

Canada offers a much more generous maternity benefits policy than the United States and has shown some success. However, this does not mean that the policy is not problematic. For example, the implementation of this policy requires enormous funds. If the government cannot obtain sufficient funds to support the policy, taxes or other means, then fiscal problems may arise. In addition, the policy may cause injustice to people who are childless or do not intend to have children.

Moreover, it has to be admitted that by providing paid maternity leave, the problem of an ageing population can be alleviated and can have some positive effects. However, such a policy can also pose some problems. For example, long-term paid maternity leave may place a burden on employers. In-depth analysis and research of the above factors can help the United States improve and improve maternity leave policies and provide better social protection for women.

Moreover, in searching for literature, some of the information is lagging due to the small number of documents in recent years. In the process of reading foreign language literature, due to the difference in cultural background and the limitation of one's English comprehension ability, there may be deviations in understanding the cultural connotation and localized expression of foreign language literature.

Finally, in selecting research methods, only a relatively single literature study and case analysis were selected, and there was a lack of empirical data analysis and first-hand data. In future research, we will consider quantifying the factors that will affect the provision of maternity benefits in the United States and conduct detailed data analysis. In addition, more influencing factors, such as traditional culture and party fights, can be mined.

6.   Conclusions

As early as the last century, Misra, J. linked women's values and family welfare policies, emphasizing the role of women as mothers in the family [16]. Women's maternity benefits have played an active role in employment insurance and family benefits, and countries are beginning to focus on providing women with unpaid or paid maternity benefits. Comparing the United States and Canada, we can see that maternity benefits will differ even in the same developed countries. Canada offers a more generous and comprehensive maternity benefits system than the United States. The reason is that the United States is limited by its ideology because it advocates neoliberalism. The government should not interfere too much, so the US federal government does not provide paid maternity leave at the national level. The cantons are different, with more economically developed state governments happy to provide paid maternity leave, while economically backward states do not pay much attention to it. The values of various companies also have an impact on this, with some companies offering generous maternity benefits in order to attract senior female talent.

In contrast, others choose to provide other benefits for women in order not to bear the sunk cost of absenteeism. Inequalities at the societal level also result in women having to take on the responsibility of caring for the entire family full-time. Although, in general, maternity benefits in the United States are not as generous as in Canada, it has to be admitted that the United States is constantly improving and is trying to provide reasonable protection for women. At least some state governments and businesses are working hard to achieve this. This study summarizes the factors affecting maternity benefits in the United States and aims to provide a more transparent analysis, but there are still shortcomings. Further in-depth analysis and research on the above factors may help the United States improve maternity leave policies and provide better social protection for women.

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