

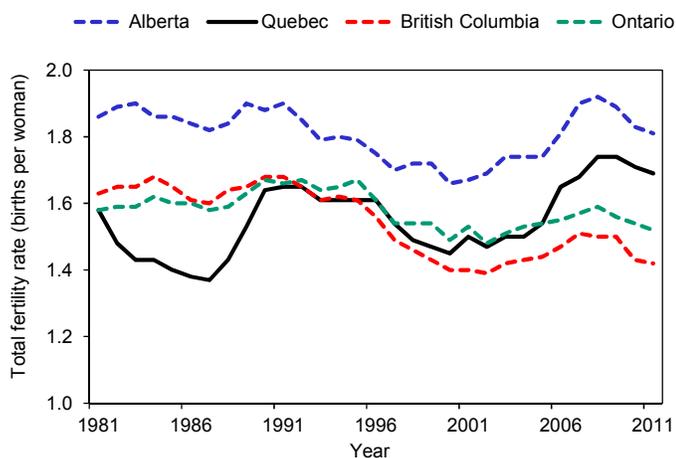
Regional variations in fertility trends and policies in Canada

Policy Brief No. 4

After the Second World War, Canada experienced a baby boom followed by a baby bust. The total fertility rate (TFR) peaked at 3.94 births per woman around 1959, reached a low of 1.51 births per woman in 2002, and has fluctuated between 1.61 and 1.68 births per woman since 2006. While this pattern is common, Canada's recent fertility history is unique. The current TFR is lower than in Nordic or other English-speaking countries, but higher than in the very low-fertility countries of Europe and East Asia.

Canada's unique fertility pattern appears to result from broad variation across the provinces. The TFR in most provinces declined throughout the 1960s and has been fairly stable since the early 1970s. The exception is Québec where, after reaching a low of 1.37 births per woman in 1987, the TFR began rising, reaching a high of 1.74 births per woman in 2008 and 2009. This provincial-level variation points to several cultural and institutional factors that may have an influence on Canadian fertility.

Total fertility rate for major Canadian provinces, 1981–2011



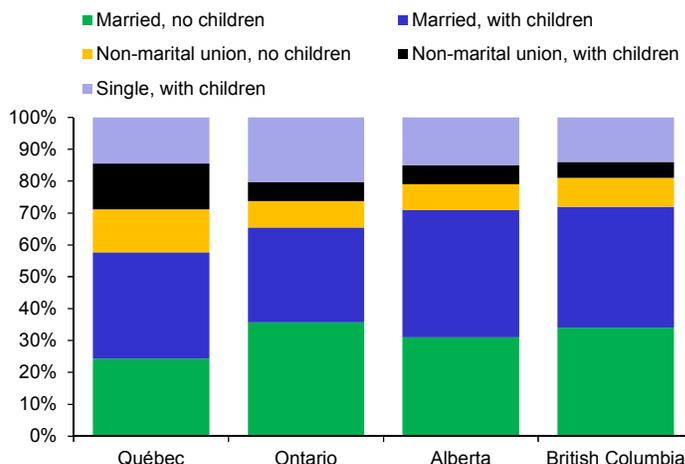
Québec vs. the rest of Canada: Cultural factors

As a former French colony, Québec has a distinct identity and social structure within Canada. French, not English, is the official language, and about 80 per cent of Québécois are Catholic, compared with about 30 per cent in the rest of Canada. Before the 1960s, the Catholic Church controlled all health and social services, education, labour unions and credit

unions. Then a "Quiet Revolution" shifted the ideological orientation of the province in the late 1950s and early 1960s, and as a result, virtually all social institutions came under the control of the secular government.

Since the "Quiet Revolution", Québécois are considered more gender egalitarian than people in the rest of Canada. Their attitude is evidenced by higher rates of women's labour-force participation, non-marital unions, childbearing within non-marital unions, and support of egalitarian gender roles (including shared responsibilities for cooking, housework and childcare).

Household structures in major Canadian provinces, 2011



Québec vs. the rest of Canada: Policy differences

Family policies are significantly more generous in Québec than in the rest of Canada. These include maternal and parental leave, cash transfers and tax benefits, and subsidized childcare.

Maternity and parental leave

The Canadian Government began providing paid maternity leave in 1971 and parental leave in 1996. Parents have the right to 15 weeks of maternity leave and 35 weeks of parental leave (which technically can be split between parents but is generally taken by mothers). Since 2006, Québec has offered an alternative plan that pays at a substantially higher rate (70 per cent of previous earnings versus 55 per cent under the federal policy), provides a higher maximum benefit, reserves

time for fathers, and covers more women than the federal policy because it includes the self-employed and has a lower earnings threshold.

Since Québec explicitly reserves some leave for fathers and because the higher maximum benefits make leave more appealing to men, fathers in Québec are much more likely to take parental leave than fathers in the rest of Canada. In 2006, take-up rates were 56 percent in Québec, compared with 11 per cent in the other provinces.

Cash transfers and tax benefits

A family allowance programme was introduced across Canada in 1974, offering an annual payment of US\$ 192 per child up to age 18. The same programme in Québec offers increasing allowances with each successive birth up to US\$ 399 for the youngest child in a large family.

Between 1988 and 1997, the government of Québec offered an additional, non-taxable “baby bonus”, reportedly in response to public concerns about low fertility. Over the years, the amount of the baby bonus steadily increased. The programme was replaced in 1997 by an Integrated Child Allowance (which is income tested rather than universal), expansion of subsidized childcare, and more generous parental leave.

In 2005, the Québec government introduced an annual tax credit that, by 2015, ranged from US\$ 530 to US\$ 1,889 per child. Altogether, between 1985 and 1995, family benefits at the federal level increased by a factor of 1.5, but they increased by a factor of 5.0 in Québec.

Childcare

Canada has no federal childcare policy, although parents can claim childcare deductions from their income tax. In 1997, Québec initiated a major expansion of subsidized daycare. In the first year of the programme, full-day childcare for 4-year-olds was offered at US\$ 3.99 per day per child. Each year, subsidized daycare spaces were made available to children 1 year younger, so that by 2000 all children under 5 were covered. Subsidized daycare is now available to more than one half of all eligible children in this age group. In 2014, the Québec government announced a change from the flat-rate fee to a sliding scale based on income, with prices ranging from US\$ 5.83 to US\$ 15.97 per child per day.

A much greater proportion of preschool-aged children are in centre-based daycare in Québec than in the rest of Canada. In 2004–2005, 72 per cent of Québécois children aged 0–5 whose parents were employed or studying were in daycare, compared with 42 per cent in the rest of the country.

Have policies made a difference?

What little empirical evidence exists supports the idea that at least some of Québec’s family-friendly policies have contributed to the province’s rising fertility. In particular, the generous “baby bonus” payments made from 1989–1997 have been credited with raising Québec’s fertility from the lowest in the country to a level on a par with or higher than in many other provinces. The generous parental leave programme and heavily subsidized daycare are also likely helping to boost fertility in Québec.

The explicit policy goals of the daycare expansion were to help families balance work and family life and to improve and equalize child development and educational readiness, not to increase fertility. As of 2008, an estimated 70,000 additional women were employed as a result of the daycare expansion. Labor-force participation rates of mothers with children aged 1–5 are markedly higher in Québec than in the rest of Canada.

The differences among provinces within Canada are not limited to the institutions discussed here. Rather, the institutional context, including higher education and housing, is generally more supportive of childbearing in Québec than in other provinces. The degree of provincial autonomy in Canada and Québec’s long history of independence add up to particularly large differences in a range of social institutions, and these differences may be linked to Québec’s unique fertility path.

NOTES

This policy brief was prepared as background material for the United Nations Expert Group Meeting on Policy Responses to Low Fertility. It can be found online at <http://esa.un.org/PopPolicy/publications.aspx>. Queries can be sent to PopPolicy@un.org.

The brief is based on Sarah R. Brauner-Otto (forthcoming), Canadian fertility trends and policies: A story of provincial variation. In Ronald R. Rindfuss and Minja Kim Choe (Eds.), *Low Fertility, Institutions, and Their Policies: Variations across Industrialized Countries*. Springer.

The findings, interpretations and conclusions expressed herein are those of the authors and do not necessarily reflect the views of the United Nations or the East-West Center.

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