

Gender Equality



ALTERNATIVE
FEDERAL BUDGET
2017

GENDER
EQUALITY

HIGH STAKES

- Women make up 47% of the paid workforce in Canada, are more likely to have post-secondary training, and earn on average 30% less than men.
- Women perform more hours of unpaid work in the home and work more total hours (paid and unpaid) than men, make up 92% of those taking parental leave, and are 21 times more likely than men to cite caring for children as the reason they are in part-time work.
- Women are now more likely than men to be a victim of a violent crime. Spousal violence and sexual assault costs the economy an estimated \$12.2 billion per year. The federal government spends about 1.6% of this amount (\$189 million) to counter violence against women.

CLEAR CHOICES

- Develop a job creation strategy that invests equally in the sectors where men and women work.
- Close the gender wage gap by promoting transparency and tracking in salaries and wages, increasing wages in predominantly female-dominated sectors (e.g., care work), and raising the minimum wage.
- Invest in a national action plan to end violence against women and make this investment proportionate to the cost and consequences of sexual and domestic violence.

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Background

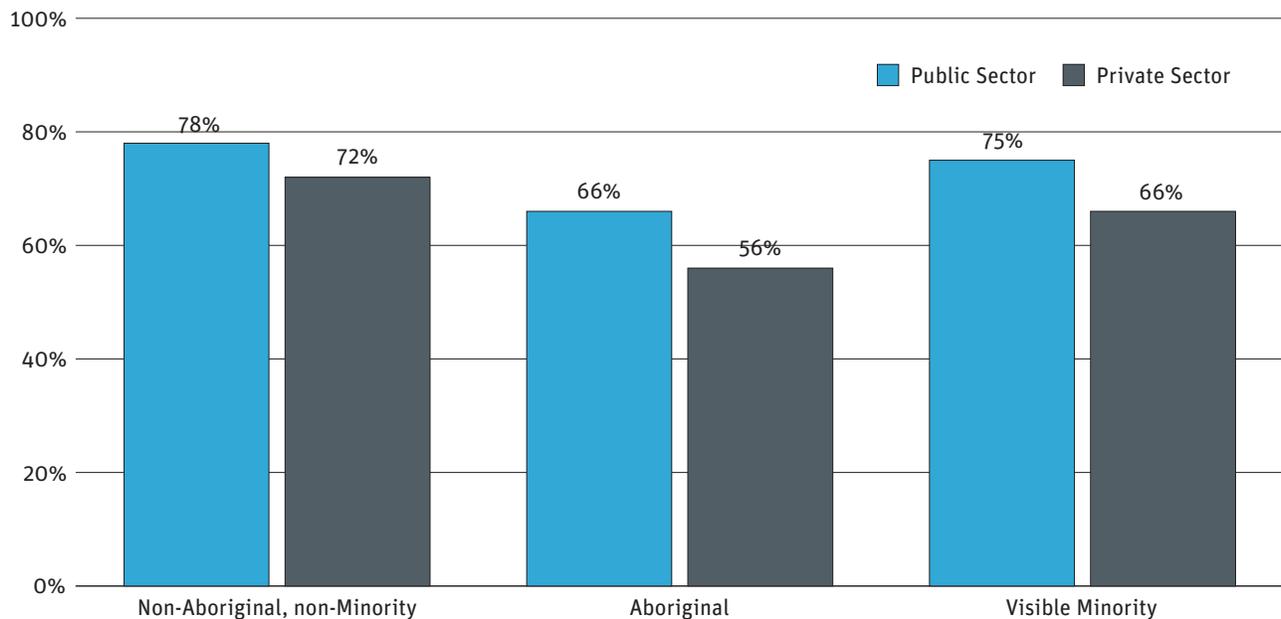
Why is the International Monetary Fund asking about child care?¹ Because economists have begun to understand that women's labour, paid and unpaid, is essential to economic growth. More than that, after decades of inequality, Canadians need growth they can share in — growth that comes with an increase in jobs and wages. Women's employment is an essential part of making the shift to a more equal society.

Over the past three decades women have entered the Canadian labour force in ever-growing numbers.² During the same period male wages have struggled to keep pace with the cost of living. Women's employment

earnings make an essential contribution to their own economic security and to that of their families. For many households those earnings are the difference between keeping up with the bills or going further into debt.

As a result of investments in higher education by provincial and federal governments, both men and women in the labour force are far more likely to have completed post-secondary education today than they were 30 years ago. Women in the labour force are now slightly more likely to have a university degree than their male counterparts.³ In spite of this, employment rates for women lag behind those for men. Nearly a million women working part time do so involuntarily, reporting a lack of full-time

FIGURE 12 Women's earnings as a percentage of men's



work and the need to care for children and their family as the reason.⁴

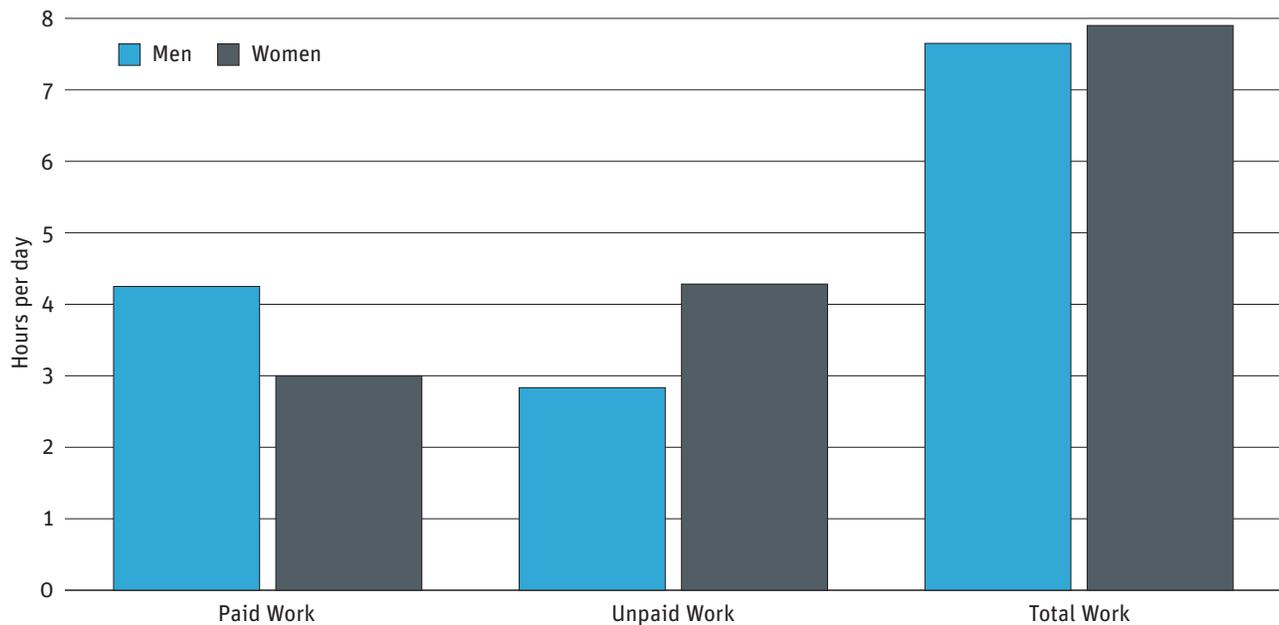
The current job stimulus efforts of the federal government are focused on predominantly male employment sectors. There is no question that Canada's aging physical infrastructure needs to be repaired and upgraded (and men need jobs). However, that investment needs to be paired with a parallel investment in predominantly female sectors to ensure the sustained growth and productivity of our economy. The OECD projects that narrowing the gap between men's and women's employment in Canada could contribute an additional \$160 billion to GDP by 2030.⁵

More than one out of every five women working today works in health and social services.⁶ It is one of the only sectors where

women's employment has increased year on year over the past decade.⁷ In contrast, women make up only a fraction of those employed in the sectors that will benefit from the government's infrastructure projects, and they actually lost jobs in the construction sector in 2015 (while men made gains).⁸

The federal government is promising a \$3-billion investment in home care (over four years), which will certainly yield jobs for women. However, it is also committed to the previous Conservative government's 3% cap on annual increases to provincial health transfers.⁹ This cap will likely limit job creation in the sector where women are most likely to be employed. While additional support for home care will be welcome, many of the jobs created by that investment would be low-paying without addi-

FIGURE 13 Time Use (Average Hours Per Day Over a Seven Day Week)



Source: General Social Survey: Time Use. Ottawa, Statistics Canada, 2010.

tional government intervention on wages. The median take-home pay for a home care worker (\$18,942 per year) falls below the poverty line.¹⁰

The sectors in which women work continue to pay less on average than the sectors in which men work, with some exceptions such as nursing. Even when men and women work in the same sector, in relatively equal numbers, women are paid less on average than men.¹¹ The wage gap in Canada actually widened in the years following the 2009 recession. Moreover, the gap in wages and employment expands for women with disabilities, Aboriginal women, racialized women, and immigrant women.

Simply increasing education and training levels would not be sufficient to close the

gaps in income and employment. Women now outnumber men among university graduates, yet the gender gap in earnings persists among university-educated workers.

Addressing the gender wage gap is an important tool in stimulating wage growth across the labour market and creating more inclusive economic growth that meaningfully improves the lives of Canadians. The federal government recently announced its intention to table proactive pay equity legislation as recommended by a special parliamentary committee studying the issue. As important as this legislation would be, there are other complementary policy tools that will help close the gender gap in wages.

Affordable and available child care has had a positive effect on women's employ-

ment levels and on reducing the wage gap in similar high-income countries.¹² Parental leave of less than a year has a similarly positive effect on women's attachment to the labour force and their earnings. However, longer parental leaves have a negative impact on women's participation in the paid workforce, particularly for highly educated women.¹³

Proactive wage-setting policies, including collective bargaining, are another important tool in closing the gender wage gap. Women make up nearly two-thirds of all minimum-wage workers.¹⁴ The occupations in which women are most likely to work include some of the lowest-paying jobs in Canada. For example, the median income of an early childhood educator (\$17,703) or a home care worker (\$18,942) falls below the poverty line.¹⁵ A good example of proactive wage-setting policy is the decision by the Government of Ontario to increase wages for early childhood educators, 97% of whom are women.¹⁶

The wage and employment gaps also derive from the extra burden of unpaid care performed by women, who continue to do nearly four hours a day of extra home and child care work on top of their paid work.¹⁷ This burden has been exacerbated by post-recession austerity measures, in particular cuts to care services.

As a result of Quebec's supplementary parental leave for fathers, introduced by the government in 2005, over 76% of men in the province take parental leave, compared to 26% of men in the rest of Canada.¹⁸ The re-balancing of child care work in the home has the potential to lead employers to see the

value of care work, triggering raises in the wages of child care and home care workers.

Social Policies

Women in Canada continue to face gender-specific challenges to their safety and well-being. Women are now more likely to be victims of violent crime than men. Rates of sexual assault against women are largely unchanged over the past two decades, while the incidence of other violent crimes has decreased. A million women report having experienced sexual or domestic violence in the past five years.¹⁹ On any given day, more than 4,000 women and over 2,000 children will reside in a domestic violence shelter.²⁰ More than 500 women and children are turned away from shelters on a typical day, with overcrowding the primary reason.²¹

Rates of gender-based violence are significantly higher for Aboriginal women and girls. Aboriginal women in Canada experience three times the level of violent victimization as non-Aboriginal women, and young Aboriginal women make up 63% of those who report experiencing violent victimization.²² The murder and disappearance of Aboriginal women and girls, an endemic problem in Canada, has received international attention and condemnation.

The current government is moving to form an inquiry into missing and murdered Aboriginal women and girls. It will not be the first. The government must learn from the mistakes of past inquiries; for example, by ensuring that Aboriginal families and communities are supported, both socially and financially, so they can meaningfully partici-

pate in, and indeed lead, the quest to find justice, and put an end to the violence experienced by Aboriginal women and girls.

Existing federal policy on violence against women is largely gender neutral, in spite of a surfeit of evidence concerning the need to address these forms of violence as based on gender. The grant program administered by Status of Women Canada is a rare exception. The federal department disperses between \$14 and \$15 million per year in grants and contributions to non-profit organizations to deliver a variety of services ranging from shelters to public education.²³ But the total budget for Status of Women Canada has averaged just \$28–\$33 million annually over the past decade. Recent reports by Justice Canada estimate the economic impact of violence against women at \$12.2 billion annually.²⁴

The current government has committed to putting in place a much-needed national strategy to address violence against women in Canada. A broad coalition of women's organizations, service providers, and researchers has produced a *Blueprint for a National Action Plan on Violence Against Women*, based on the best available research, the experience of service organizations and survivors, and similar action plans in countries like Australia.²⁵ The federal government must ensure the plan, to be effective, addresses both prevention and response. The government must also adequately fund the collection of data on rates of violence at the provincial and municipal level (something that does not currently occur) so we can assess the success

and/or failure of current programs and policies where they are being enacted.

AFB Actions

Action: The AFB will invest in a national action plan to address violence against women (cost: \$500 million a year), based on the *Blueprint for a National Action Plan*, that includes the following components:

- Funding for annual, detailed national surveys on violence against women;
- Support for an office to provide federal co-ordination;
- Increased funding for prevention programs;
- Increased funding for victim services, including long-term housing; and
- Funding to support uniform access to specialized social, legal, and health services, including domestic violence courts, sexual assault nurse examiners, and crisis centres.

Result: Levels of violence experienced by women will begin to decline and survivors of violence will receive adequate support.

Action: The AFB will increase funding for Status of Women Canada and restore its mandate to fund women's groups to conduct independent policy research (cost: \$100 million a year).

Result: Federal government policies will benefit women and men more equally; decisions about funding for women's services will be based on research; and the organ-

izations and communities who respond to the needs of women on a daily basis will be empowered to share their insights on programs and policies that work.

Action: The AFB will put in place a clear mechanism to ensure equal pay for work of equal value by repealing the Public Service Equitable Compensation Act, establishing proactive pay equity legislation, and implementing the recommendations of the 2004 Pay Equity Task Force (cost: \$10 million a year).

Result: The gender wage gap will narrow, increasing women's economic security and providing increased economic activity as a result of higher wages.

Action: The AFB will put in place a job growth policy in sectors where women work, as well as in sectors where men work. This will mean investments in education, and health and social services, in keeping with investments in physical infrastructure projects.

Result: A more balanced sectoral strategy that ensures families and communities are less vulnerable to sectoral downturns, and increased economic security for women, including those otherwise most vulnerable to poverty.

Action: The AFB will ensure that family policies address the unequal burden of unpaid care work performed by women. It will make child care outside the home more readily affordable and available (see the AFB Child Care chapter) and institute a supplementary paternity leave allowance of eight weeks on the same terms as the Quebec parental

insurance program (see the AFB Employment Insurance chapter).

Result: More equal levels of unpaid work will enable women to access full-time work more easily, and reduce their overrepresentation in low-paying shift work.

Notes

1 *IMF Country Report No. 16/146: Canada*. Washington D.C.: International Monetary Fund, 2016.

2 "CANSIM Table 282-0002: Labour force survey estimates (LFS), by sex and detailed age group, annual." Ottawa: Statistics Canada.

3 "CAN SIM Table 282-0004: Labour force survey estimates (LFS), by educational attainment, sex and age group, annual (persons unless otherwise noted)." Ottawa: Statistics Canada.

4 "CAN SIM Table 282-0014: Labour force survey estimates (LFS), part-time employment by reason for part-time work, sex and age group, annual (persons)." Ottawa: Statistics Canada.

5 OECD (2012). "Table I.A3.1. Projected average annual growth rate in GDP and GDP per capita in USD 2005 PPP, percentage, 2011–30." *Closing the Gender Gap: Act Now*. Paris: OECD Publishing.

6 "CANSIM Table 282-0012: Labour force survey estimates (LFS), employment by class of worker, North American Industry Classification System (NAICS) and sex, annual." Ottawa: Statistics Canada.

7 "CANSIM Table 282-0012: Labour force survey estimates (LFS), employment by class of worker, North American Industry Classification System (NAICS) and sex, annual." Ottawa: Statistics Canada.

8 Women made up 11.5% of construction workers in 2015, down from 11.9% in 2014. "CANSIM Table 282-0012: Labour force survey estimates (LFS), employment by class of worker, North American Industry Classification System (NAICS) and sex, annual." Ottawa: Statistics Canada.

9 Harris, Kathleen and Peter Zimonjic. "Health ministers wrap tense talks with no agreement on federal health funding." CBC News, Oct 18, 2016.

- 10** *National Household Survey 2011*. Ottawa: Statistics Canada.
- 11** See, for example, a recent study of the wage gap in the retail sector in Ontario: Coulter, Kendra et al (2016). *The Gender Wage Gap in Ontario's Retail Sector: Devaluing Women's Work and Women Workers*.
- 12** Plantenga, J. and C. Remery eds. (2006). *The Gender Pay Gap: Origins and Policy Responses: A comparative study of 30 European countries*. European Commission, Directorate.
- 13** Mandel, Hadas (2012). "Winners and Losers: The Consequences of Welfare State Policies for Gender Wage Inequality." *European Sociological Review*, vol. 28.2: 241–262.
- 14** Galarneau, Diane and Eric Fecteau (2014). "The ups and downs of minimum wage." Ottawa: Statistics Canada.
- 15** Median incomes from the *National Household Survey 2011*. Low income measure after tax for 2011 used (\$20,912); source: "CANSIM Table 206-0091: Low income measures (LIMS) by income source and household size." Ottawa: Statistics Canada.
- 16** "Backgrounder: 2016 Wage Enhancement for Early Childhood Educators." Toronto: Government of Ontario, Ministry of Education, January 22, 2016.
- 17** *General Social Survey: Time Use*. Ottawa: Statistics Canada.
- 18** Leanne C. Findlay and Dafna E. Kohen (2012). "Leave practices of parents after the birth or adoption of young children." Ottawa: Statistics Canada.
- 19** *General Social Survey: Victimization, 2014*. Ottawa: Statistics Canada.
- 20** *Shelter Voices*. Ottawa: Canadian Network of Women's Shelters and Transition Houses, 2014.
- 21** Hutchins, Hope and Sara Beattie (2015). *Shelters for Abused Women 2014*. Ottawa: Statistics Canada.
- 22** Brennan, Shannon (2011). *Violent victimization of Aboriginal women in the Canadian provinces, 2009*. Ottawa: Statistics Canada.
- 23** *Status of Women Canada Departmental Performance Reports*. Ottawa: Status of Women Canada.
- 24** Hoddenbagh, Josh, Ting Zhang, and Susan McDonald (2014). *An Estimation Of The Economic Impact Of Violent Victimization In Canada, 2009*. Ottawa: Justice Canada. Zhang, Ting et al. *An Estimation of the Economic Impact of Spousal Violence in Canada, 2009*. Ottawa: Justice Canada.
- 25** *A Blueprint for Canada's National Action Plan (NAP) on Violence Against Women and Girls*. <http://endvaw.ca/our-work/blueprint-for-canadas-national-action-plan-on-violence-against-women>