Recovery through Equality: Developing an Inclusive Action Plan for Women in the Economy

Canadian Centre for Policy Alternatives, Canadian Women's Foundation and Ontario Nonprofit Network

"The Government will create an *Action Plan for Women in the Economy* to help more women get back into the workforce and to ensure a feminist, intersectional response to this pandemic and recovery."

Speech from the Throne, September 23, 2020

With the Throne Speech promise of an Action Plan for Women in the Economy the federal government has committed to ensuring an intersectional feminist response to economic recovery from the pandemic. Centering marginalized women and focusing on initiatives in fragile women-majority sectors — many of them undervalued care sectors — can provide women with the broadest and deepest pandemic economic recovery. An intersectional response will require connecting the Action Plan to initiatives addressing systemic discrimination across the federal government.

Wide-ranging briefs, reports and plans across public, private, and non-profit sectors discussing intersectional gender recovery in Canada can be read as providing consensus on the importance of the care economy, income security and labour market reform. These include A Feminist Economic Recovery Plan for Canada: Making the Economy Work for Everyone, Alternative Federal Budget Recovery Plan, and The She-Covery Project: Confronting the Gendered Economic Impacts of COVID-19 in Ontario, to cite a just a few.

The pandemic has heightened and highlighted pre-existing economic inequalities. Attaining gender equality for all women requires not only building back from the pandemic shecession⁵ but a sustained focus on women and the economy and creating the internal infrastructure within government to move the Action Plan forward, monitor outcomes and course correct over the coming years. The Fall Economic Statement targets funds to long-term care and safe schools and extends both relief to families with young children and supports like the wage subsidy program.⁶ These major federal investments are required for the challenging COVID-19 winter, alongside a broader vision to address the long-term and pressing challenges of our time that impact gender equality, including income disparities, racial injustice and climate emergencies.

Women and the Pandemic Economy

Heavier employment losses, weaker recovery

As the pandemic arrived, women-majority sectors were hit hard and fast. By the end of April, 2.8 million women – 30% of those working – had lost their jobs or were working less than half of their regular hours. Low-wage workers, overwhelmingly women, highly racialized, and facing the greatest barriers to employment, suffered the largest share of job losses. The pandemic has deepened the long-standing division between "good jobs" and "bad jobs" in our labour market.

Eight months into the pandemic, more women are back at work and picking up hours, but the recovery is as unequitable as the downturn. Women's employment recovery continues to lag behind men's and their economic security remains fragile. With the surge in jobs in the education sector, as well as in food and accommodation over the summer months, women had recouped 79% of their early employment losses by October. Those aged 25-54 saw the largest gains, those aged 15-24 saw the lowest. Young women actually lost ground in October with an uptick in unemployment. The situation is particularly acute for low wage workers with the fewest legal protections and the fewest resources to weather this storm.

In large labour markets like the Greater Toronto Area, women were already facing greater economic hardship before increased lockdown. In October, the accommodation and food services industry saw its first month of job losses since April and approximately 80% of the 56,000 workers who lost their jobs were women. Women are also experiencing job losses in personal services, information culture and recreation, and public administration.¹⁰

• Mothers giving up on employment, exiting the workforce

A key piece of the crisis for women's economic security is happening on the home front. Women have been stepping up to shoulder a huge pandemic increase in unpaid labour and caregiving and stepping back from paid employment. Employment gains since April have been especially weak among mothers with children under 12, pointing to a continuing unequal division of labour in the home as schools closed and access to childcare became uncertain. By August, fathers had effectively recouped all of their employment losses, while 12% of the mothers who were working in February were still without work or working less than half of their regular hours.¹¹

A September bump in women's employment, notably in educational services, still left large numbers of mothers with kids under 18 working reduced hours: 70.0% higher than in February, compared to only 23.7% of fathers. ¹² On this score, single parents have experienced the greatest loss of employment and hours when compared to fathers, and mothers, in two-parent families. By September, they had recouped a much smaller fraction of employment losses – 17% of all lone-parents with kids under 12 were still working less than half time, including 32% of mothers with kids under six. ¹³

These figures don't capture the proportion of women who have dropped out of the labour market completely, setting aside their own financial security to care for their families' needs. According to RBC Economics, women aged 35-39 years are exiting the labour force "in droves", with mothers of children under 6 years accounting for two-thirds of the exodus in this key age group.¹⁴

Generating an Intersectional, Gender Inclusive Recovery

Unless recovery efforts focus on women who are experiencing the greatest risks and barriers, progress on gender equality will be rolled back decades and recovery will be prolonged, with massively damaging consequences for the whole of society. This is especially true for women from marginalized communities who have been frontlined and sidelined by the pandemic. Least likely to have the financial means to withstand this crisis, they are experiencing the slowest return to work, greatest caregiving challenges and most severe secondary impacts, including increased levels of gender-based violence (GBV) and unmet health needs.¹⁵

The Action Plan for Women in the Economy must address immediate needs and lay the foundation for a safer, more resilient, and gender-just future inclusive of all women. Collection and integration of disaggregated gender data that speaks to the realities and challenges faced by different groups of women and gender-diverse people is essential.

Actions should include:

- Mandating intersectional gender-based analysis plus (GBA+) in policy and program development in all facets of the pandemic recovery response, including transfer payments to other orders of government and funding agreements with nonprofit/charitable and private sector partners
- Collecting, analyzing, and publishing data disaggregated and cross-tabulated by gender, race, ethnicity, Indigeneity, age, disability, sexual orientation, geography and labour sector on COVID-19 cases, the economic impact of the pandemic and economic recovery
- Involving the women's sector in all its diversity as valued stakeholders at all levels of government and providing core funding to women's rights and gender equality organizations to enhance their financial security and program impact.

The COVID-19 pandemic has revealed women's all too tenuous foothold in the paid labour market. Development of an Action Plan for Women and the Economy provides the opportunity to pursue solutions to this current crisis, and to invest in the foundations of a feminist recovery that reverses long-standing inequalities in Canada. As the recent Fall Economic Statement noted, this is an opening to advance "gender equality and equity more broadly over the medium and longer-term." Business-as-usual will not deliver decent and dignified work, income security, quality public services, or protection of the natural environment – all of which are needed to redress gender and other injustices and to create an inclusive and sustainable economy.

Over the long term, a successful strategy for women in the economy has to create the enabling conditions for diverse women to engage in paid employment, address women's structural disadvantages and foster the creation of decent work that delivers a fair income and enjoys employment and social protections. The goal is to ensure that wealth, work and care responsibilities are more fairly distributed, and that everyone – racialized women, women with disabilities, low income women, gender diverse people – can engage in the economy on equitable and just terms, in ways that generate shared prosperity and wellbeing.

Key Action Areas

1. Overcome barriers to women's participation in paid employment

Individual women come to the labour market with unique skills, talents and circumstances. Young women today are the most educated of any generation in Canadian history, yet, as a group, continue to be over-represented and segregated in gendered areas of study and sectors of the economy that remain undervalued and poorly paid. Women are much more likely to be engaged in precarious work, including part-time and temporary contracts, often with the goal of coordinating caregiving and other domestic responsibilities. Other women don't have access to the supports necessary to engage in work. Lack of attendant care or necessary accommodations, failure to recognize foreign credentials or related work

experience, discrimination against racialized people, living in poverty or without stable housing are all barriers that constrain women's labour force activities and access to financial security over their lifetimes. The pandemic has magnified these challenges exponentially. Solutions demand a comprehensive response that targets distinct community needs in the following areas.

Early learning and child care: The employment crisis for mothers – especially single mothers - places an immediate priority on transforming this fragile sector in the Action Plan. Child care is essential in Canada, enabling parents of all genders to work and ensuring children are learning ready with positive impacts on their long-term well-being. Seven out of 10 Canadian licensed child care centres laid off all or part of their workforce during the first phase of the pandemic, 17 and hundreds have yet to reopen, their futures hanging by a thread, with low enrolments and steep costs related to the pandemic.¹⁸ The Fall Economic Statement included resources for the new Federal Secretariat on Early Learning and Child Care to coordinate efforts in building a Canada-wide system of "affordable, accessible and high-quality childcare from ocean, to ocean to ocean." Yet, the Secretariat will have to work with great speed to prevent the collapse of Canada's child care system. Federal leadership, including bold, accelerated federal spending to \$2 billion per year through the Multilateral Framework and bilateral agreements can expedite a move to a publicly managed and fully funded system that provides inclusive, quality, affordable child care. Such an investment would significantly boost the labour supply and hours of employment of women aged 25 to 50 (by an estimated 725,000 workers over the next decade), resulting in higher economic activity and much higher government revenues.¹⁹

Violence against women/gender-based violence services: The pandemic has shone a much-needed spotlight on violence against women and gender-based violence (GBV) and drawn public attention to the extent and impact of GBV in Canada. Emergency investments have provided stop gap supports and capacity for shelters, sexual assault centres and broader GBV programs and services to adjust to pandemic emergency measures and convert to offering services remotely. Full economic participation for women and uninterrupted access to the labour force requires safe communities, safe homes and safe workplaces. Completing development and moving to well-resourced implementation of a robust national action plan on gender-based violence centring Black women is critical to women's economic security and to planning for women in the economy. The federal government's announcement of significant funding – \$782 million over five years – to support "a National Action Plan for Ending Violence against Indigenous Women, Girls and LGBT and Two-Spirit People" should spur swift completion of this key, life-saving tool.

Accommodation and supports: Women with disabilities and other women have struggled to find a foothold in the labour market, seeking the supports necessary – flexible hours, attendant care, accessible transportation or communication technologies – to participate in the economy. Even as whole industries have pivoted to facilitate work from home – bittersweet for women with disabilities, who have fought long and hard for these types of accommodations, to watch them roll out so effortlessly – access to needed supports has become immeasurably more difficult as service providers attempt to deliver socially distanced supports with declining revenues. The same energy is needed to tackle barriers to employment facing new immigrants, Indigenous women, women with disabilities, and

young women, and to stabilize existing support systems in combination with related policy action to foster the creation of decent employment opportunities. Tailored supports are fundamental to enabling women's labour market participation.

2. Create the public infrastructure necessary to spur the creation of decent work and shared prosperity for all

An inclusive and sustainable economy stands on a foundation of strong employment standards and protections, effective income security programs that protect against risks and mitigate income disparities, and essential community infrastructure such as caring services and tailored labour force development supports. These types of investments are not only crucial to women's sustained economic engagement and long-term economic security, but to creating an inclusive sustainable economy.

Invest significantly in the care economy: The pandemic is highlighting how essential the care economy is to health, well-being and the economic system while exposing its low social value. This is a key piece of infrastructure supporting women's labour market participation as it employs mostly women, especially racialized, Black, immigrant and migrant women, and relieves women of caregiving responsibilities so they can go to work. Recovery planning needs to prioritize moving beyond the fragmented approach of underfunding, privatization, and exploitation of those working in care sectors, propped up by systemic discrimination. Significant investments in quality public services will not only lift women workers, but have a cascading positive impact across the economy, environment, and communities. Governments can seize this moment to create a system of comprehensive, high quality, publicly managed caring services that take profit out of care, for all Canadians. Investing in social infrastructure pays for itself over time through increased employment and earnings, reduced income security benefits and emergency services, and healthier communities.²¹

Ensure decent work for those at the margins or left out of the labour market: Women, especially racialized, Black, immigrant and migrant women, are traditionally and historically overrepresented in jobs - i.e. caring, clerical, cleaning, cashiering, and catering - that lack decent work, and are more likely to take time off for caregiving responsibilities. A minimum wage that reflects living wages, paid sick days, and permanent residency for migrant workers combined with labour protections that promote stability can incentivize continued labour market participation, ease reliance on income supports, and ensure women don't remain concentrated in the low end of the labour force or drop out completely. Strong labour protections must be complemented by legislative mechanisms that raise the floor for women's wages, such as pay equity (equal pay for work of equal value) and pay transparency (transparency of pay based on workforce composition). Additional decent work strategies and supports should specifically target those at the margins or left out of the labour market, including Indigenous women and women with disabilities.

Modernize income security to protect women in today's labour market and to reduce income inequality: Given the sectors where women work and their caregiving roles, the large-scale transformation of work over the next decade, whether resulting from pandemic recovery or technological disruption, will continue to generate "on and off work" patterns and economic uncertainty for women. For this reason, targeted financial supports should continue for those with continuing caring obligations, facing the ongoing loss of

employment or reduced earnings, or who can't access traditional income supports. August's income support measures and temporary changes to EI extend potential aid to millions of women dealing with volatile incomes and reduced employment opportunities.²² However, close to 550,000 women – 26% of women on the Canada Emergency Response Benefit (CERB) in August – are financially worse off under the new programs, and most – 442,000 – completely lost financial support.²³ The roll-out of these emergency measures offer important lessons for strengthening income security permanently, especially the value of enhancing coverage and creating a higher "minimum income floor" through new programs like the proposed Canada Disability Benefit. Close monitoring of coverage and the interaction of new and old income supports on diverse women is critical. So is modernizing old systems, such as Employment Insurance, to reflect current and future labour realities, and building out the role and generosity of programs that offset the costs of essential goods such as housing, medication, and attendant care and work to reduce poverty and income disparities. Retirement savings and pensions are income security concerns for women, who are more likely to retire into poverty. Longer life spans, lower earnings and more career gaps make it difficult for women to save for retirement and expand the gender pension gap.

Expand gendered workforce development programs: Technological disruptions on the nature of work, discussed as the future of work, have been accelerated by the pandemic. These disruptions will impact women disproportionately as women are concentrated in two extremes: jobs most likely to be disrupted (low-waged, clerical, manufacturing, and retail) and jobs least likely to be disrupted (care work such as child care, home care, and long-term care). Given occupational and industry segregations based on gender, race, and immigration status - to name a few - and historical disadvantages in the labour market, many women may not be able to access newly created jobs in the future of work. Research shows new jobs are being created in male-dominated industries and occupations like engineering, computer science, environmental science, and construction. To mitigate and leverage disruptions of women's participation in the labour force, a training and skills-building plan is needed that takes into account the future of work, and centres women to enable access to decent work in emerging sectors as well as those where they are currently under-or over-represented (e.g. care services).

Beyond Recovery: Achieving Gender Equality

The federal government's commitment to an Action Plan for Women in the Economy is a welcome opportunity to plan effectively for a much-needed inclusive recovery that centres marginalized women. At the same time, it opens the door to sustained economic planning with an intersectional gender equality lens which could move the federal government beyond gender-based plus analysis to the integration of gender equality, employment equity and ending systemic discrimination, into core economic policy.

A long-term, whole-of-government Action Plan for Women in the Economy, supported by internal federal government infrastructure generating ongoing intersectional gendered economic planning, would secure permanent attention to women in the economy and signal a major equality breakthrough for Canada's first avowedly feminist federal government.

Co-Authors



Canadian Centre for Policy Alternatives

The Canadian Centre for Policy Alternatives (CCPA) is an independent, non-partisan research institute concerned with issues of social, economic and environmental justice. Founded in 1980, the CCPA is one of Canada's leading progressive

voices in public policy debates. Its Making Women Count program studies gender disparities and the solutions needed to advance a more gender equal and just society.



Canadian Women's Foundation

Launched in 1991 to address a critical need for philanthropy focused on women, the Canadian Women's Foundation is one of the largest women's foundations in the world. With the support of donors, the Foundation has raised more than \$100

million and funded over 2,000 programs throughout the country. These programs focus on addressing the root causes of the most critical issues and helping women and girls who face the greatest barriers.



ONN is the independent network for the 58,000

nonprofits and charities in Ontario, focused on policy, advocacy and services to strengthen the sector as a key pillar of our society and economy. We work to create a public policy environment that allows nonprofits to thrive. We engage our network of diverse nonprofit organizations across Ontario to work together on issues affecting the sector and channel the voices of our network to government, funders, and other stakeholders.

Endnotes

¹ Sector consisting of paid and unpaid care work where care work is defined as looking after the physical, psychological, emotional and developmental needs of one of more other people, Resetting Normal: Women, Decent Work and Canada's Fractured Care Economy.

² YWCA Canada and The Gender and Economy Institute (2020), <u>A Feminist Economic Recovery Plan for</u> Canada: Making the Economy Work for Everyone.

³ Canadian Centre for Policy Alternatives (2020), <u>Alternative Federal Budget Recovery Plan.</u>

⁴ Ontario Chamber of Commerce (2020), <u>The She-Covery Project: Confronting the Gendered Economic Impacts</u> of COVID-19 in Ontario.

⁵ Coined by economist Armine Yalnizyan, "she-cession" refers to the greater impact of the pandemic recession on women, initially evidenced by greater job loss, and now in a slower return to work and women leaving the labour market.

⁶ Government of Canada (2020), Supporting Canadians and fighting COVID-19: Fall Economic Statement 2020.

⁷ Katherine Scott (2020), Women bearing the brunt of economic losses: One in five have been laid off or had hours cut, Behind the Numbers, Canadian Centre for Policy Alternatives.

⁸ David Macdonald (2020), <u>Canada's job losses reach Great Depression levels</u>, Behind the Numbers, Canadian Centre for Policy Alternatives.

⁹ The following figures are from analysis based on Statistics Canada, Table 14-10-0287-01 Labour force characteristics, monthly, seasonally adjusted.

¹⁰ Statistics Canada, Table 14-10-0022-01 Labour force characteristics by industry, monthly, unadjusted for seasonality.

- ¹⁵ BC Women's Health Foundation (2020), Unmasking Gender Inequity.
- ¹⁶ Government of Canada (2020), <u>Supporting Canadians and fighting COVID-19: Fall Economic Statement 2020</u>.
- ¹⁷ Canadian Centre for Policy Alternatives, (2020), <u>Alternative Federal Budget Recovery Plan</u>.
- ¹⁸ Dave McGinn (2020), "Low enrolment, PPE costs push child-care centres across Canada to edge of insolvency," *The Globe and Mail*, Sept. 25, 2020.
- ¹⁹ Jim Stanford (2020), <u>The Role of Early Learning and Child Care in Rebuilding Canada's Economy after COVID-</u> 19, Centre for Future Work.
- ²⁰ Government of Canada (2020), <u>Supporting Canadians and fighting COVID-19: Fall Economic Statement 2020</u>.
- ²¹ Women's Budget Group (2016), "Investing in the Care economy to boost employment and gender equality"; Jim Stanford (2020), The Role of Early Learning and Child Care in Rebuilding Canada's Economy after COVID-19, Centre for Future Work.
- ²² Government of Canada (2020), <u>Supporting Canadians through the next phase of the economy re-opening:</u>
 <u>Increased access to EI and recovery benefits.</u>
- ²³ David Macdonald (2020), "1.8 million Canadians better off with a higher EI and CRB floor, Behind the Numbers", Canadian Centre for Policy Alternatives.
- ²⁴ Institute for Women's Policy Research (2019), <u>Future of care work</u>; Institute for Women's Policy Research (2019), <u>Women, Automation, and the future of work</u>
- ²⁵ Women Deliver (2019), How a business can build a 'future of work' that works for women.

¹¹ Statistics Canada, August 2020 Labour Force Survey PUMF, excludes self-employed. Calculations by David Macdonald, Canadian Centre for Policy Alternatives.

¹² Statistics Canada (2020), "<u>Labour Force Survey, September</u>. This includes lost hours due to personal circumstances, such as caring for children, as well as those related to job situation such as reduced shifts.

¹³ Statistics Canada, September 2020 Labour Force Survey PUMF, excludes self-employed. Calculations by David Macdonald, Canadian Centre for Policy Alternatives. Single-parent mothers were much more likely than mothers in two-parent families to have experienced job loss or reduced hours: more than a third (38%) compared to just over one quarter (26%) respectively, February to April.

¹⁴ Dawn Desjardins and Carrie Freestone (2020), <u>Canadian women continue to exit the labour force</u>, RBC Economics.