



**HOUSE OF COMMONS  
CANADA**

**IMPROVING THE ECONOMIC SECURITY OF  
WOMEN: TIME TO ACT**

**Report of the Standing Committee on  
the Status of Women**

**Yasmin Ratansi, MP  
Chair**

**JUNE 2007  
39th PARLIAMENT, 1st SESSION**

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# **THE STANDING COMMITTEE ON STATUS OF WOMEN**

has the honour to present its

## **TWENTY-FIRST REPORT**

Pursuant to its mandate under Standing Order 108(2) and the motion adopted by the Committee on May 30<sup>th</sup>, 2006, your Committee has undertaken a study on the economic security of women and has agreed to report the following:





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# IMPROVING THE ECONOMIC SECURITY OF WOMEN: TIME TO ACT

## 1. INTRODUCTION

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### 1.1. OVERVIEW OF THE STUDY

In May 2006, the Standing Committee on the Status of Women adopted a motion to undertake a study of the economic security of senior women. The Committee invited representatives from the Department of Human Resources and Social Development Canada (HRSDC), the National Council of Welfare and the National Advisory Council on Aging in June of 2006, and resumed its study in February 2007. The Committee heard that:

poverty rates among seniors — both men and women, singles and couples — have declined significantly over the past 25 years. Despite this impressive progress, senior women have higher rates of low income than their male counterparts.<sup>1</sup>

The Committee also heard that there were other groups of women who experience disproportionate levels of poverty, including “single-parent families headed by women, and women with disabilities.”<sup>2</sup>

**Figure 1.1**  
**Poverty rates using pre-and post-tax LICOs,<sup>(3)</sup> 2004**

	<b>Pre-tax</b>	<b>Post-tax</b>
Lone parents	42.6%	31.7%
Individuals under 65	38.3%	34.3%
Families with children	10.0%	6.7%
Seniors	14.0%	5.6%

Source: Brief submitted by the National Council of Welfare.

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1 Virginia Poter, Department of Human Resources and Social Development, Evidence, February, February 15, 2007.

2 Deborah Tunis, Department of Social Development, Evidence, June 8, 2006.

3 Low income cut-offs (LICOs) are established using data from the Family Expenditure Survey, now known as the Survey of Household Spending. They convey the income level at which a family may be in straitened circumstances because it has to spend a greater proportion of its income on necessities than the average family of similar size. For more information on the LICOs, see the Web site of Statistics Canada at [http://www.statcan.ca/english/freepub/75F0011XIE/2004001/notes\\_lowincome.htm#lico](http://www.statcan.ca/english/freepub/75F0011XIE/2004001/notes_lowincome.htm#lico).

Witnesses during the preliminary meetings on the economic security of senior women urged the Committee to take a life cycle approach to the economic security of senior women. Sheila Regehr of the National Council of Welfare told the Committee<sup>4</sup>:

[Y]ou can't take one population or one moment in time. There's a tendency to talk about "poor people" or to talk about "lone parents", thinking that there's this group of lone parents who are always lone parents, or that somebody living in poverty now is always going to be living in poverty. Those groups move in and out. A woman who's a very contented middle-class woman is going to be a lone parent tomorrow. In a few years, when her children age, statistically she's not counted as a lone parent any more, she's an "unattached older woman" but she's experiencing the legacy of her earlier years.

When the Committee resumed its study in the winter of 2007, it opted to widen its study to "take into account the origins of older women's poverty, including women's lower earnings; their family responsibilities; the way in which they combine paid and unpaid work during their lifetimes; the changing structure of the paid workforce; and the fact that women, because of their greater life expectancy, will spend longer in old age, on average, than men will, and will likely be left on their own eventually."<sup>5</sup> The Committee decided to look at the economic security of all women with a particular focus on immigrant women, rural women, Aboriginal women, women with disabilities, senior women and single mothers. Members of the Committee discussed a wide range of factors that ultimately result in women having lower incomes than men in their senior years, identifying factors such as:

- the economic costs incurred by women who decrease their labour-force attachment to take on a greater role in unpaid caregiving;
- women's disproportionate share of non-standard work (part-time, part-year, contract); and
- lack of education and awareness on the long-term implications of work/family decisions among younger women.

The Committee held 18 meetings with departmental officials, individuals, professional organizations, researchers, and groups representing the interests of various groups of women from across Canada. This report captures the breadth of testimony heard by this Committee, and identifies the common challenges faced by many women as well as the particular challenges faced by specific groups of women.

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4 Sheila Regehr, National Council of Welfare, Evidence, June 13, 2006.

5 Monica Townson, Canadian Centre for Policy Alternatives, Evidence, February 15, 2007.

The Committee heard that Canada's retirement income system is recognized worldwide as one of the best, and that Canada ranks first among the G-7 countries in terms of the labour force participation rate for women aged 25 to 64. Despite this, women continue to confront situations of income insecurity.

Witnesses told the committee that a comprehensive strategy is required to properly address the economic security of women. The Committee acknowledges that it has insufficient testimony at this time to identify all the components that such a comprehensive strategy should encompass. Many of the witnesses who testified before the Committee also identified specific recommendations that could help improve the economic security of women. Thus, while this report should not be read as a comprehensive strategy to address economic security among women, it does propose a number of recommendations that the Committee believes could help ensure greater economic security for women in Canada.

## **1.2. ORGANIZATION OF THE REPORT**

The economic security of women takes into account women's income as well as opportunities available to women to secure liveable earnings; the supports that allow women to balance paid employment and caregiving, if they choose to participate in the labour force; and the recognition of the value of the caregiving that many women do. The economic security of women also takes into account the costs incurred by women, and the recognition that different groups of women incur different costs. And finally, the economic security of women requires that programs and policies recognize and accommodate the roles women play in the family and in the community.

The report reflects these aspects of economic security.

Chapter 2 provides an overview of the vulnerable groups which were identified.

Chapter 3 provides an overview of the income aspects of the economic security of women. It discusses trends in the labour force participation of women, the impact of the changing labour market on women, the impact of women's unpaid work on their labour force participation, and barriers to paid work. The chapter also examines other sources of income, including government transfers to individuals and private pension plans.

Chapter 4 identifies the costs incurred by women that have an impact on their economic security. It discusses testimony on subjects such as food, housing, transportation, healthcare and medical costs, child care, and elderly care.

Chapter 5 summarizes what the Committee heard about existing federal government programs and fiscal measures and discusses concerns identified by witnesses.

Chapter 6 provides other suggestions that were discussed by witnesses. These included the need to educate women about the financial implications of their decisions, the knowledge gaps that exist in current research on women's economic security and proposals for national initiatives.



## 2. WOMEN'S ECONOMIC SECURITY: VULNERABLE GROUPS

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Economic security refers to the ability of women and men to plan for future needs and risks and an assurance that basic needs will be met.<sup>6</sup>

### INTRODUCTION

There have been significant improvements for low-income women in Canada in recent years. The low-income rate among women has decreased steadily since the mid-90s in all provinces. However, as a witness from Social Development Canada<sup>7</sup>, stated, "we still have significant challenges in addressing the gender differences in low income rates, particularly as they affect single senior women, single-parent families headed by women, and women with disabilities."<sup>8</sup>

The Committee has paid close attention to women belonging to vulnerable groups in society, such as immigrant women, rural women, Aboriginal women, women with disabilities, senior women and single mothers.

### 2. 1. CHRONIC LOW INCOME AMONG IMMIGRANT WOMEN

According to a recent Statistics Canada report, *Chronic low-income and low-income dynamics among recent immigrants*,<sup>9</sup> close to one-fifth of immigrants who arrived in Canada in the 1990s faced chronic low income, a rate 2.5 times higher than for persons born in Canada. Even after ten years in Canada, immigrants have incomes that are considerably lower than those of persons born in Canada or who have been here for over 10 years.

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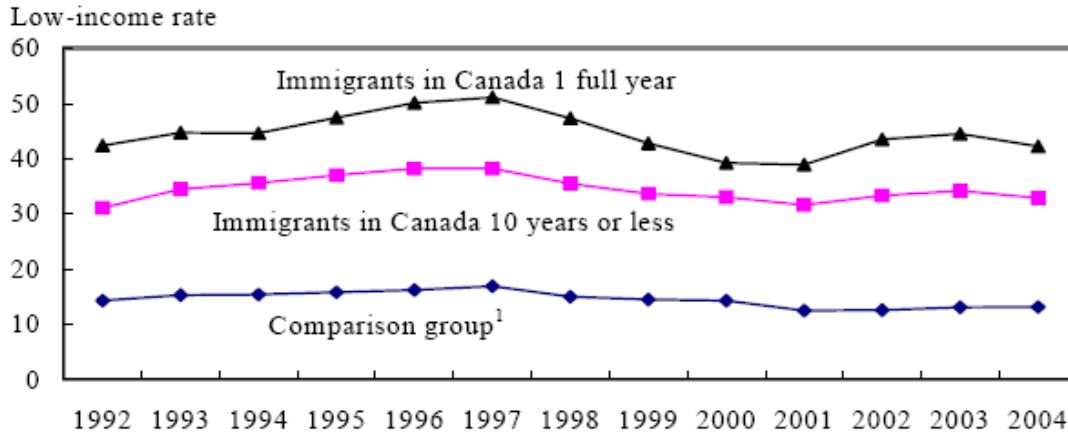
6 F/P/T Ministers for the Status of Women, Women's Economic Independence and Security: A Federal/Provincial/Territorial Strategic Framework, March 2001. [http://www.swc-cfc.gc.ca/pubs/0662655427/200103\\_0662655427\\_e.html#purpose](http://www.swc-cfc.gc.ca/pubs/0662655427/200103_0662655427_e.html#purpose).

7 This department has since been amalgamated into Human Resources and Social Development Canada, (HRSDC).

8 Deborah Tunis (Social Development Canada), Evidence, June 8, 2007.

9 Statistics Canada. *Chronic low-income and low-income dynamics among recent immigrants*. By Garnett Picot, Feng Hou and Simon Coulombe, Catalogue no. 11F0019MIE, no. 294, Ottawa, p. 5 and 17.

**Figure 2.1. Low-income rates of recent immigrants and the comparison group, aged 20 and over, 1992 to 2004**



1. Includes Canadian born plus immigrants in Canada more than 10 years.

Sources: Statistics Canada, Longitudinal Administrative Database and Longitudinal Immigration Database.

Source: Statistics Canada, "Chronic Low Income and Low-income Dynamics Among Recent Immigrants", vol 2007, No. 11-F0019MIF, no.294

Since statistics show that more women than men enter Canada under the family reunification category and are less likely to be the main applicants in the "economic" and "humanitarian" categories, the Committee sought to determine whether male and female immigrants experience chronic low income at the same rate.

## 2. 2 RURAL WOMEN

Rural women grapple with a complex reality encompassing social and labour market changes which generate uncertainty relating to their income security. The Committee looked at such issues as poverty among rural women and the important role of farm women in Canada.

We are in a catastrophic state in the farm community right now. We have many issues that we have to deal with, not only farm issues but rural issues. That is our context. That's where we live. That's our culture and our identity.<sup>10</sup>

In terms of the urban and rural divide, there are interesting distinctions:

Rural senior women tend to have lower incomes than their urban counterparts but are far more likely to be living either with their spouse or with their family. Very few rural senior women live on their own, so that mitigates that situation.<sup>11</sup>

10 Karen Fyfe, National Women's Vice-President, National Farmers Union, Evidence, March 29, 2007.

11 Colin Lindsay, Statistics Canada, Evidence, February 15, 2007.

Availability of, and access to, resources are a challenge to the economic security in rural communities. There are also important issues in linking skills with available jobs. Women who at one time or another have had to deal with sudden illness, an accident, a disability, violence or marital problems have been trapped in poverty, especially given the limited options available to escape that poverty.

## **2. 3 ABORIGINAL WOMEN**

The Aboriginal peoples of Canada are a diverse group. The Committee heard from women's representatives from the First Nations, the Métis and the Inuit. Although many Aboriginal women live in poverty, there are also thousands of Aboriginal women who are successful in various fields throughout the country, Aboriginal women have higher levels of education than Aboriginal men. A brief glance at the status of Aboriginal women in Canada demonstrates that, despite gains made by some Aboriginal women, many still confront high levels of poverty and violence:

The percentage of Aboriginal women living in poverty is more than double the percentage of non-Aboriginal women who are poor. At the time of the 2001 Census, based on before-tax incomes, more than 36% of Aboriginal women, compared with 17% of non-Aboriginal women, were living in poverty. Like many other women living in poverty, Aboriginal women are particularly affected by the social assistance policies of provincial and territorial governments. Aboriginal women employed on reserves may not be covered by the Canada Pension Plan.<sup>12</sup>

## **2. 4 WOMEN WITH DISABILITIES**

In 2001, close to 2 million women or 13% of all women in Canada had a disability. The disabled population in Canada is diverse, and the consequences of disability on the individual can vary greatly from one person to the next.

The likelihood of a woman having a disability increases with age. In 2001, 72% of women aged 85 and over had a disability, compared to 50% of women aged 75 to 84 and 32% of women aged 65 to 74. In addition, just over 800,000 women or close to 7% of women aged 15 and over had a severe or very severe disability.<sup>13</sup>

As in the general population, employment levels among women with disabilities increase with levels of education. Among university graduates with a disability, 66% of women and 64% of men were employed in 2001. Women with a disability and a lower education level were somewhat less likely than their male counterparts to be employed. Women with a disability were also less likely to be employed than women without a disability.

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12 Status of Women Canada, *Poverty Issues for Canadian Women*, Monica Townson, August 2005.

13 Statistics Canada, *Women in Canada: A Gender-based Statistical Report*, 2005. p.12.

## 2. 5 SENIOR WOMEN

The Committee heard that “over the past 25 years, low income among seniors, including female seniors, has been significantly reduced, primarily as a result of the maturation of the Canada Pension Plan.”<sup>14</sup> Women over 65 are still more likely than men of the same age to have low incomes. This is especially true for unattached senior women, 19% of whom have low after-tax incomes.<sup>15</sup>

**Figure 2.2 Occurrence of low income among seniors — Canada, 2003**

<b>Percentage of seniors with low after-tax income</b>			
	<b>Both sexes</b>	<b>Men</b>	<b>Women</b>
<b>All seniors</b>	<b>6.8%</b>	<b>4.4%</b>	<b>8.7%</b>
<b>Families of seniors</b>	<b>2.2%</b>	<b>2.0%</b>	<b>2.3%</b>
<b>Unattached seniors</b>	<b>17.7%</b>	<b>14.7%</b>	<b>18.9%</b>

Source: National Advisory Council on Aging, “Aging in Poverty in Canada”, Seniors on the Margins Series, p. 10.

The Committee heard that:

Due to increasing numbers of women who participate in the labour force, it is likely that future cohorts of women will be in a better financial position at retirement. However, women will continue to face unique retirement challenges, including greater life expectancy and continuing expectations to provide care, relative to men.<sup>16</sup>

An official from Human Resources and Social Development stated that among men and women aged 45 to 64, nearly twice as many women change their work arrangements to care for others and are more likely than men to reduce their working hours.<sup>17</sup> The Canadian Teachers Federation noted that a link existed between the economic security of women approaching retirement and elderly care.

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14 Susan Scotti, Social Development Canada, Evidence, June 8, 2006. (Social Development Canada was amalgamated with Human Resources and Social Development Canada.)

15 Statistics Canada, *Women in Canada: A Gender-based Statistical Report*, 2005, (89 503 XPF), pp. 143-144.

16 Susan Scotti, Social Development Canada, Evidence, June 8, 2006.

17 Statistics Canada, *Women in Canada: A Gender-based Statistical Report*, 2006.

We believe that assistance for elder care is a significant component of the economic security of women, particularly in the 40- to 60-year age group.<sup>18</sup>

## 2. 6 SINGLE MOTHERS

The majority of the 1.3 million single-parent families in Canada are headed by women (81.3%).<sup>19</sup> In other words, over a million women in Canada were single mothers in 2001. They include Aboriginal, immigrant and disabled women who are single parents.

Low income affects single-parent families in particular. According to Statistics Canada, in 2001, the poverty rate among single mothers under 65 years of age was 42.4%, compared to 19.3% for single fathers, 9.5% for couples with children and 8.1% for couples without children.<sup>20</sup>

Aboriginal women are also much more likely to be single mothers than other women. In 2001, 19% of Aboriginal women aged 15 and over were single mothers, compared to 8% of other women.

Foreign-born women are only slightly more likely than Canadian-born women to head single-parent families and, like Canadian-born women, they are much more likely than their male counterparts to be single parents.

In 2001, 12 per cent of the 1.9 million women aged 15 and over with disabilities were single mothers. In comparison, 3.3 per cent of the 1.5 million men aged 15 and over with disabilities were single parents.<sup>21</sup>

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18 Canadian Teachers Federation, Evidence, May 8, 2007.

19 Deborah Tunis, Social Development Canada, June 8, 2006.

20 Sylvie Lévesque, Director General, Fédération des associations de familles monoparentales et recomposées du Québec, Evidence, March 22, 2007.

21 Statistics Canada Women in Canada: A Gender-based Statistical Report, 2005, table 12.3, p. 303.

**Figure 2.3 Distribution of Canadian Families,  
By Family Type and Province/Territory, 2001**

	Married, children at home	Married, no children at home	Common-law, children at home	Common-law, no children at home	Female lone- parent	Male lone- parent
Newfoundland & Labrador (NF & LB)	45.5%	29.9%	4.7%	5.0%	12.3%	2.7%
Prince Edward Island (PEI)	44.3%	29.9%	4.4%	5.0%	13.6%	2.7%
Nova Scotia (NS)	39.9%	31.9%	4.8%	6.6%	14.0%	2.8%
New Brunswick (NB)	40.1%	30.9%	6.0%	6.9%	13.1%	3.0%
Quebec (QC)	33.2%	25.0%	13.0%	12.2%	13.2%	3.4%
Ontario (ON)	46.1%	29.3%	3.9%	5.4%	12.6%	2.7%
Manitoba (MB)	42.7%	31.3%	4.4%	5.4%	13.2%	3.0%
Saskatchewan (SK)	40.8%	33.8%	4.5%	5.0%	12.9%	3.0%
Alberta (AB)	44.3%	29.8%	4.7%	6.9%	11.5%	2.9%
British Columbia (BC)	41.0%	32.4%	3.9%	7.1%	12.6%	2.9%
Yukon (YK)	33.9%	23.4%	11.1%	11.9%	15.7%	4.2%
Northwest Territories (NWT)	37.2%	15.6%	15.6%	10.8%	15.8%	5.2%
Nunavut (NV)	36.6%	6.4%	23.8%	7.4%	18.7%	7.0%
<b>CANADA</b>	<b>41.4%</b>	<b>29.0%</b>	<b>6.3%</b>	<b>7.5%</b>	<b>12.7%</b>	<b>2.9%</b>

Source: Canadian Council on Social Development, "A profile of Canadian families" CCSD's *Stats & Facts: Canadian Families*

## 3. ECONOMIC SECURITY OF WOMEN — THE INCOME SIDE

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Those who argue for women to have tax breaks to work outside the home are doing a good thing, and they make a good case, but those who are doing the care role at home also make valid arguments. The common ground women have is the right to choose how to contribute to society, and the state's role should be to respect what we choose and to enable it.<sup>22</sup>

### 3.1 INTRODUCTION

According to Statistics Canada, “the main source of income for Canadian women is paid employment and self-employment income. In 2003, 70% of women’s total income was from these sources, while 17% came from government transfer programs, 6% from a private pension plan, 4% from investments and 3% from other sources.”<sup>23</sup>

This chapter is divided into three sections addressing the main income sources: paid employment, government transfers and income from savings.

### 3.2 LABOUR MARKET INCOME

The Committee has heard that “Canadian labour market outcomes for women compare very favourably with those in other developed countries.”<sup>24</sup> Over the past decade, women have continued to experience a growing labour market participation rate, rising from 57% in 1996 to 62% in 2006 at a time when the labour force participation rate for men remained stable at 73%.<sup>25</sup> Women have also made great strides in educational attainment, and “among university graduates under 26 years of age who are working full time, there is virtually no difference between the earnings of women and men.”<sup>26</sup>

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22 Beverley Smith, appearing as an individual, Evidence, April 24, 2007.

23 Statistics Canada. Women in Canada: A Gender-based Statistical Report, 2006, p.135.

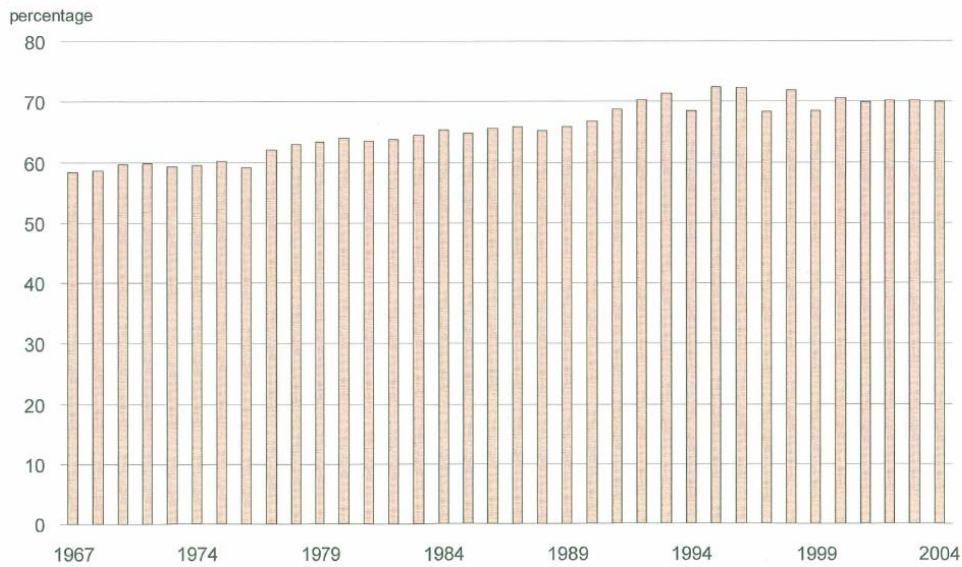
24 Barbara Glover, Department of Human Resources and Social Development, Evidence, February 15, 2007.

25 Barbara Glover, Department of Human Resources and Social Development, Brief, date February 15, 2007.

26 Ibid.

Despite these gains, however, the Committee has heard that the annual earnings gap between women and men who work full time “seems to be stuck at 70%, and there’s been very little change in that over the course of the last decade.”<sup>27</sup> (Figure 3.1) This gap in earnings persists across all levels of education and professional groups.<sup>28</sup>

**Figure 3.1**  
**Female to male earnings ratio of full-time workers, 1967 to 2004**



Source: Statistics Canada, Survey of Labour and Income Dynamics.

Witnesses told the Committee that women continue to assume a disproportionate share of non-standard work (part-time, part-year); that their unpaid work limits their ability to maintain a stable attachment to the labour force during the times they provide care to children and other family members; and that some groups of women continue to face significant challenges to their labour force participation.

### 3.2.1 Rise in non-standard work

One-third of low-income children in Canada have at least one parent in the workforce working full time, full year, and yet that family is not able to earn sufficient income to lift them above the poverty line. That number is up from 27% twelve years ago, so there’s an increase in terms of the number of working poor families.<sup>29</sup>

27 Colin Lindsay, Statistics Canada, Evidence, February 15, 2007.

28 Statistics Canada. Women in Canada: A Gender-based Statistical Report. 2005. p.139.

29 Jacquie Maund, Campaign 2000, Evidence, May 1, 2007.



The rise in non-standard work affects both men and women. In its brief to this Committee, Campaign 2000 commented that one in every six Canadians working full time was in a low wage job where they are paid less than \$10/hour.<sup>30</sup> The Committee heard that women are disproportionately affected by low-wage and non-standard work. For example, 22% of women are in low paid jobs compared to 12% of men. Women “are more highly represented than men in non-standard employment, particularly in part-time and temporary work. In 2006 the proportion of women in non-standard work was 40%, compared to 34% for men.”<sup>31</sup> Statistics Canada noted that close to 30% of all employed women worked part-time, compared to 10% of their male counterparts.<sup>32</sup>

In her presentation before this Committee, Lorraine Desjardins of the Association des associations de familles monoparentales et recomposées du Québec informed the Committee that the Federal Labour Standards Review Commission had tabled a report in the fall of 2006 which had proposed an increase to the minimum wage, among other things. That report contained the following description of vulnerable workers:

Vulnerable workers by definition lack either collective or individual bargaining power. They are therefore less likely than most to secure or retain a decent job, and more likely than most to work under conditions that most Canadians would view as highly inappropriate or even exploitative. Typically, they are paid low salaries and receive few — or no — fringe benefits, work unsociable hours or in difficult conditions, have limited or no access to training, enjoy poor prospects of career advancement and relatively short job tenure. And — as tends to be the case with vulnerable people — they often lack the knowledge, capacity or financial means to enforce whatever statutory or contractual rights they supposedly enjoy.<sup>33</sup>

The Committee heard that despite strong job creation and falling unemployment more and more families in Canada are working, but not finding jobs with sufficient pay, hours or benefits to help them escape poverty.”<sup>34</sup>

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30 Campaign 2000. Submission to the House of Commons Standing Committee on the Status of Women, May 2007.

31 Barbara Glover, Department of Human Resources and Social Development, Evidence, 15 February 2007.

32 Statistics Canada. Trends in the Economic Security of Senior Women. Brief, 2006. p.6.

33 Federal Labour Standards Review. Fairness at Work Federal Labour Standards for the 21st Century. Canada, 2006, p. 230.

34 Campaign 2000. Submission to the House of Commons Standing Committee on the Status of Women, May 2007.

Some women work part-time to balance their home and work commitments, however the Committee heard that “ about one-third of women in the main childbearing years are working part time because they can’t find full-time work. That’s about the same percentage as are working part time because they’re caring for children.”<sup>35</sup> The Committee heard that, in an effort to earn enough to cover their expenses, some women work at several part-time jobs concomitantly. This is the case for many new immigrant women. Rural women also tend to supplement farm revenue with part-time work off the farm.

The Association des associations de familles monoparentales et recomposées du Québec noted that “Changes in the labour market in recent years have made life even tougher. There are increasing numbers of temporary and on-call jobs. It is hard to establish a schedule in advance, and work days are growing increasingly longer.”<sup>36</sup>

In their brief to the Committee, the Ontario Council of Agencies Serving Immigrants noted that “many women are in non-standard work arrangements where employers treat them as independent contractors and therefore do not make CPP and other payments.”<sup>37</sup> As a result, they are not eligible to receive Employment Insurance benefits when their contracts are terminated, or to accumulate pensionable earnings.

#### **Recommendation 1:**

**The Committee recommends that the federal government reinstate the federal minimum wage and that it be set initially at \$10 an hour.**

#### **Recommendation 2:**

**The Committee recommends that the federal government play a leadership role in improving labour legislation to extend a greater protection to the growing segment of non-standard workers, and that it ensure that the working conditions of non-standard workers are placed on the agenda of future meetings of federal/provincial/territorial Ministers of Labour.**

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35 Monica Townson, Canadian Centre for Policy Alternatives, Evidence, February 15, 2007.

36 Sylvie Lévesque, Association des associations de familles monoparentales et recomposées du Québec, Evidence, March 22, 2007.

37 Ontario Council of Agencies Serving Immigrants, Presentation to the Parliamentary Standing Committee on the Status of Women, brief, March 29, 2007.

### 3.2.2 Rise in Self-Employment

The Committee heard that “the number of women entrepreneurs has doubled in the last 15 years and that number is growing at a pace of 60% faster than their male counterparts.”<sup>38</sup> Other groups could turn to self-employment as an alternative to low-wage work with the proper educational and financing support. Jennifer Dickson of Pauktuutit Inuit Women of Canada told the Committee that “Inuit women have the ideas, creativity, commitment, and tenacity to succeed in business for themselves. What they may lack are business skills, technical information, and marketing contacts. Networking, mentoring, business partners, and access to funding opportunities would help in all these areas”.<sup>39</sup> Pauktuutit and the Métis National Council suggested that microcredit could help facilitate these small businesses and remove women from a situation of poverty. Similarly, the Certified General Accountants Association of Canada recommended providing women with greater access to capital, and targeting financial and entrepreneurial education to women.

#### **Recommendation 3:**

**The Committee recommends that Industry Canada, in cooperation with other relevant departments, take measures to ensure the availability of microcredit opportunities to women in rural and remote regions, including Métis, First Nations, and Inuit women.**

#### **Recommendation 4:**

**The Committee recommends that Industry Canada establish a Centre of Excellence for Women Entrepreneurs to support women entrepreneurs, notably by providing additional financial and entrepreneurial education programs.**

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38 Carole Presseault, Certified General Accountants Association of Canada, Evidence, May 17, 2007.

39 Jennifer Dickson, Pauktuutit Inuit Women of Canada, Evidence, April 26, 2006.

### 3.2.3 The impact of women's unpaid work on their labour force participation

[w]e've seen a lot of positive things for women in the last 20 years; there's no question about that. Where it breaks down is on the whole issue of caregiving, because women are still taking 10 days off a year for their family commitments, and men are still taking a day and a half. Until we can change that scenario, we're going to end up in situations where women are working part-time because they're looking after their elderly mother and their children at the same time.<sup>40</sup>

A number of activities in which people engage are unpaid. These activities include looking after children, caring for sick and elderly friends and family members, taking care of the family home and engaging in voluntary activities in the community. Historically, much of the work which women did was relegated to the sphere of unpaid work.

The large-scale entry of women into the labour force has created new dynamics in the way this unpaid work is divided within the household. Men are taking on an increasing share of unpaid work (see Figure 3.2), yet the Committee heard that women still take on a disproportionate share of unpaid caregiving work. Departmental officials from the Department of Social Development told the Committee that “[W]e know the employment-related consequences of caregiving are not shared equally between men and women. Among men and women aged 45 to 64, almost twice as many women change work patterns to adjust to caregiving demands, and more women reduce their hours of work, compared to men.”<sup>41</sup>

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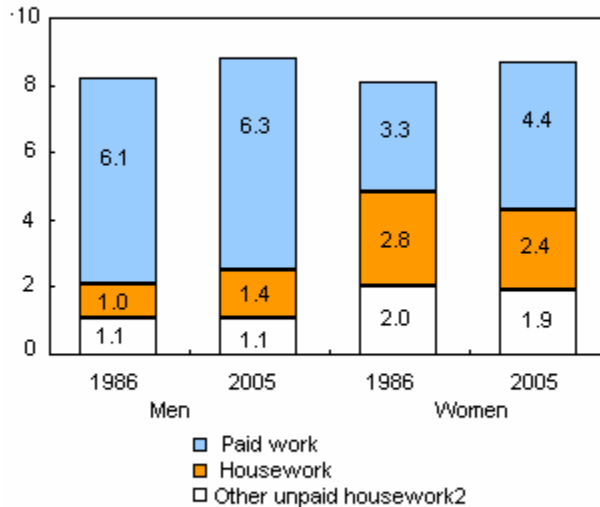
40 Sue Calhoun, Canadian Federation of Business and Professional Women's Clubs, Evidence, February 22, 2007.

41 Barbara Glover, Department of Human Resources and Social Development, brief.

**Figure 3.2**

**Paid and unpaid work has shifted among those 25 to 54, particularly women**

Average hours per day<sup>1</sup>



1. Numbers may not add due to rounding.
2. Primary child care and shopping for goods and services.

Statistics Canada, 2006<sup>42</sup>

The unpaid caregiving work that women assume has an impact on the amount of time they have available to participate in the labour force. In her presentation to the Committee, Deborah Tunis from the Department of Human Resources and Social Development noted that:

Many women work part-time or take on non-standard work to accommodate child care or other family responsibilities. This is true in particular for women aged 25 to 44. We also know that one-third of women aged 25 to 44 who were not in the labour force in 2005 cited family responsibilities as a key factor in their absence from the labour force.<sup>43</sup>

42 Statistics Canada. *The Daily*. "General Social Survey: Paid and unpaid work". July 19, 2006 at <http://www.statcan.ca/Daily/English/060719/d060719b.htm>.

43 Deborah Tunis, Department of Human Resources and Social Development, Evidence, June 8, 2006.

Caring for family members with disabilities and older seniors also impact on the ability of women to participate fully in the labour force. In her presentation to the Committee Monica Townson indicated that people who provide care to senior friends and family members face challenges to their labour force participation, which they manage by taking early retirement, reducing their paid working hours, taking time off, or limiting their participation in the kinds of activities that lead to promotions.<sup>44</sup> A representative of the Department of Social Development told the Committee that “providing this care is costly for those who provide it. Less time spent in the labour force may limit women’s earnings and therefore the capacity to build up future retirement incomes.”<sup>45</sup>

The Committee heard that, because women are more likely than men to take time off work to care for children, they can be more economically vulnerable following unexpected life events such as the death or disability of their partner or the breakdown of a relationship. Statistics Canada told the Committee that “[f]ollowing a separation, a woman who has been outside of the job market finds it very difficult to get back in. This may be a group where women are in vulnerable situations.”<sup>46</sup> The Department of Human Resources and Social Development observed that “women are more likely to experience divorce or separation than in the past. As a result, they are more likely to experience financial hardship and become a lone parent. Single-parent families are five times more likely to live in low income than two-parent families, and over 80% of single-parent families are headed by women.”<sup>47</sup> In its presentation to this Committee, Statistics Canada pointed out that there are particularly high rates of low income among unattached women aged 55 to 64, and suggested that many of these women may be separated, divorced or widowed, but are not old enough to start receiving pensions.<sup>48</sup>

The potential vulnerability of women upon divorce or break-up has led some observers to emphasize that women should maintain an attachment to the labour force. Others, however, call for measures that recognize the value of caregiving work and mitigate risks to women. In her presentation to the Committee, Beverley Smith suggested that women should have viable choices in how they choose to contribute to society:<sup>49</sup>

Those who argue for women to have tax breaks to work outside the home are doing a good thing, and they make a good case, but those who are doing the care role at home also make valid arguments. The common ground women have is the right to choose how to contribute to society, and the state’s role should be to respect what we choose and to enable it.

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44 Monica Townson, Canadian Centre for Policy Alternatives, Evidence, February 15, 2007.

45 Deborah Tunis, Department of Human Resources and Social Development, Evidence, June 8, 2006.

46 Sylvie Michaud, Statistics Canada, Evidence, February 15, 2007.

47 Deborah Tunis, Department of Human Resources and Social Development, Evidence, June 8, 2006.

48 Statistics Canada. Trends in the Economic Security of Senior Women. Brief, 2006.

49 Beverley Smith, As an Individual, Evidence, April 24, 2006.

Witnesses spoke eloquently about the value which caregiving providers to the Canadian fabric. Beverly Jacobs of the Native Women's Association of Canada challenged the conventional definition of poverty, noting that "elders in my community would say they are not poor. They would say they are rich in their language, rich in their traditions, rich in their relationships they have with their community."<sup>50</sup>

The Committee heard that the federal government has introduced a number of initiatives designed to support the informal caregiving activities of Canadians. Departmental officials informed the Committee that:

The federal tax system allocates an estimated \$70 million per year to caregivers via the caregiver tax credit, as well as \$6 million via the infirm dependant tax credit...Through the employment insurance compassionate care program, workers receive benefits to provide care and support to a gravely ill family member. Other federal initiatives include the Canada Pension Plan general dropout provision, the veterans independence program, and the first nations and Inuit home and community care program.<sup>51</sup>

Ruth Rose, of the Université du Québec à Montréal suggested that this should start with an acknowledgement that many women have families and need measures to help them combine their work and home responsibilities.<sup>52</sup>

#### **Recommendation 5:**

**The Committee recommends that the Department of Human Resources and Social Development expand the maternity and parental benefits program to cover two years, and increase the benefit rate to 60%, in order to help parents balance their paid and caring work.**

#### **3.2.4 Barriers to labour force participation**

The Committee heard that some groups of women, such as Aboriginal women, immigrant women and single mothers, have a more difficult time accessing the labour force. When they do find paid employment, many work in low-paying, part-time or part-year work.

The difficulties balancing paid and unpaid work were identified as a challenge for all Canadians faced with caregiving responsibilities. This difficulty is magnified for single-parent families who don't have partners with whom to share the care work. It is magnified

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50 Beverly Jacobs, Native Women's Association of Canada, Evidence, February 20, 2007.

51 Virginia Poter, Department of Human Resources and Social Development, Evidence, February 15, 2007.

52 Ruth Rose, Université du Québec à Montréal, Evidence, March 20, 2007.

for rural women who don't have access to affordable child care and transportation. It is magnified for new immigrant women who do not speak either official language, and whose credentials are not recognized in Canada.

The Committee heard that "one of the major barriers for heads of single-parent families is that, in addition to working, they have to have access to all child care services, transportation and housing. So there are a lot of barriers to getting out of poverty."<sup>53</sup>

The inability to communicate in either official language was identified as a labour force challenge for some immigrant women. AWIC Community and Social Services suggested that measures be taken to make it easier for new immigrant women to learn one of the official languages, suggesting that "[t]his could greatly resolve problems of exploitation, long-term dependency on social welfare, lack of participation in the labour market, and even social isolation."<sup>54</sup>

AWIC identified a number of barriers to learning English or French. They told the Committee that Canadian citizens and refugee claimants are not eligible to attend Language Instruction for Newcomers to Canada (LINC), that only some LINC centres provide child-minding services, and that there are waiting lists child-minding.

Many immigrants to Canada are unable to access the labour force because their credentials are not recognized. A recent Statistics Canada report concluded that by the late 1990s, one-half of new immigrants experiencing chronic poverty were in the skilled economic class, and 41% had degrees (up from 13% in the early 1990s).<sup>55</sup>

Dr. Anuradha Bose of the National Organization of Immigrant and Visible Minority Women of Canada proposed that new immigrants require access to financing "in order to be able to upgrade themselves, because the longer time you spend in a McJob, the more deskilled you get. Therefore, you have to be able to get here and requalify as soon as possible."<sup>56</sup>

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53 Sylvie Lévesque, Association des associations de familles monoparentales et recomposées du Québec, Evidence, March 22, 2007.

54 Sheila Konanur, AWIC Community and Social Services, Evidence, April 19, 2007.

55 Statistics Canada (2007). *Chronic Low Income and Low-income Dynamis Among Recent Immigrants*. Catalogue number 11F0019 No. 294, p.5.

56 Anuradha Bose, National Organization of Immigrant and Visible Minority Women of Canada, Evidence, March 29, 2007.



The Committee also heard from the National Alliance of Philippine Women in Canada about the vulnerability of workers who come to Canada under the Live-in Caregiver Program (LCP):

Many Filipino women live-in caregivers face long hours, low wages, physical and emotional abuse, deskilling, isolation, and low self-esteem. The program requires them to live in their employer's home 24 hours a day, which subjects them to work more than the mandated working hours; to come under temporary worker status, which makes them vulnerable to arbitrary deportation; and to have an employer-specific work permit that ties them down to a single employer at any time, making them vulnerable to abuse and arbitrary demands from their employer.<sup>57</sup>

Persons with disabilities face a number of challenges in accessing the labour force, often incurring expenses for medication and support services, as indicated by Carmela Hutchison of the DisAbled Women's Network of Canada:

Often, one of the greatest barriers to work is that if we don't have access to our medication or if we don't have access to our home care, we don't have access to those supports that are linked to income. When the income becomes too high, the supports are gone, and then the person can't participate in the workforce. That's kind of shooting ourselves in the foot all the way around.<sup>58</sup>

Organizations such as SPHERE-Québec suggested that employability and development are the main levers for getting women with disabilities out of income insecurity. They noted that programs such as the Opportunities Fund for Persons with Disabilities "make it possible to experiment with new intervention models for improving the employment of women with disabilities and thus providing the means to make them self-sufficient"<sup>59</sup> and recommended that additional funding be allocated to this program.

#### **Recommendation 6:**

**The Committee recommends that Citizenship and Immigration Canada, in consultation with provincial and territorial governments, expand eligibility to the Language Instruction for Newcomers to Canada (LINC) program to Canadian citizens who have immigrated to Canada, and to successful refugee claimants. The Committee also recommends that more support for child-minding services be made available to participants in the LINC program.**

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57 Cecilia Diocson, National Alliance of Philippine Women in Canada, Evidence, April 19, 2007.

58 Carmela Hutchison, DisAbled Women's Network of Canada, Evidence, May 3, 2007.

59 Nancy Moreau, SPHERE-Québec (Soutien à la personne handicapée en route vers l'emploi au Québec) Evidence, May 3, 2007.

**Recommendation 7:**

**The Committee recommends that the federal government explore and implement options that have been identified in past studies which would allow new immigrants to access financing to upgrade their skills, including in situations where their credentials are not recognized. This should be done in collaboration with provinces and territories where specific agreements exist, as well as other stakeholders.**

**Recommendation 8:**

**The Committee recommends that the Live-in Caregiver Program be reformed to ensure that the human rights of immigrant women workers are better protected and that the live-in requirements of the program become optional.**

**Recommendation 9:**

**The Committee recommends that additional funds be allocated to the Opportunities Fund for Persons with Disabilities.**

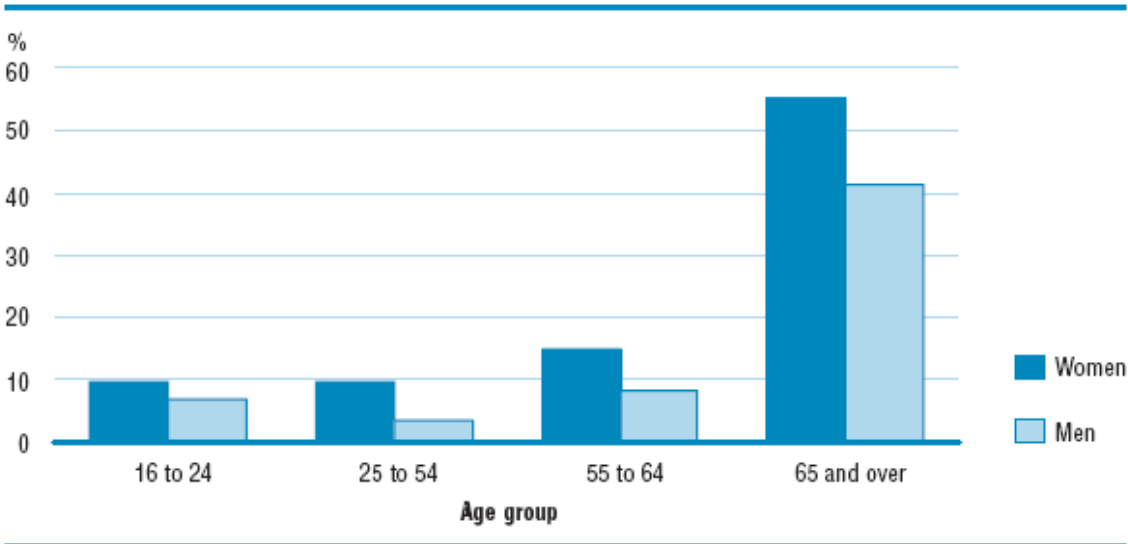
### **3.3 GOVERNMENT TRANSFERS TO INDIVIDUALS**

Compared to men, a larger share of women's total income comes from transfer payments. According to Statistics Canada, "in 2003, 17% of the total income of women came from transfer payments, double the figure of men who received only 9% of their total income from these sources."<sup>60</sup>

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60 Statistics Canada. Women in Canada: A Gender-based Statistical Report, 2006, p.135.

**Figure 3.3**  
**Government transfer payments as a percentage of the total income of women and men, by age group, 2003**



Source: Statistics Canada. Women in Canada: A Gender-based Statistical Report, 2006, p.136

Statistics Canada also notes that “there are considerable differences between the primary sources of income of seniors and those under the age of 65. In 2003, for example, well over half (55%) the income of senior women in Canada came from government transfer programs, compared with 15% of that of women aged 55 to 64, and 10% or less of that of women in age ranges under age 65.”<sup>61</sup>

Statistics Canada data suggests that “Old Age Security (OAS) payments, including Guaranteed Income Supplements (GIS), make up the single largest component of government transfer benefits received by women. In 2003, 5% of all the income of women came from this source, including 4% in regular OAS benefits and another 1% as GIS supplements. At the same time, 4% of all women’s income came from the Canada and Quebec Pension Plans, while 3% were Child Tax benefits, 2% were social assistance benefits, and another 2% were employment insurance payouts.”<sup>62</sup>

What people find interesting about our system is how much we spend on low income. The guaranteed income supplement, which was mentioned, is not a feature found in many other countries. Canada has made a decision in the design of its system to include this benefit, which is up to \$7 billion right now in benefits paid to low-income seniors, which is not a feature found in many other countries.<sup>63</sup>

61 Statistics Canada. Women in Canada: A Gender-based Statistical Report, 2006, p.136.

62 Ibid.

63 Mitch Bloom (Social Development Canada), June 8, 2006.

Social assistance is a last resort for people in Canada who are unable to support themselves. The Committee heard that

Of the total number of children in families receiving social assistance, 71% are in lone parent families. This is equivalent to 339,000 children across Canada (National Council of Welfare, Welfare Incomes 2005). The vast majority (over 90%) of lone parent families receiving social assistance are led by lone mothers.<sup>64</sup>

The National Council of Welfare and Campaign 2000 spoke about the gap between the various social assistance benefit levels and the low-income cut-off:

When parents are unable to be in the workforce and are not eligible for employment insurance, social assistance — welfare — becomes the program of last resort. The work of the National Council of Welfare shows that welfare incomes are far below the poverty line.<sup>65</sup>

### **3.4 RETIREMENT INCOME FROM SAVINGS AND PRIVATE PENSION PLANS**

In the last fifteen years, pension savings in Registered Pension Plans (RPPs) and Registered Retirement Savings Plans (RRSPs) have increased greatly. In 2005, there were 15,336 employer pension plans with 5.7 million members. More women than men are members of public-sector pension plans and that the opposite is true for private-sector pension plans. The proportion of employees participating in a registered pension plan is on the decline.

Private defined-benefit pension plans are on the decline. There are hardly any new ones being created, and many of the old ones are actually in trouble. This is also a problem, because obviously our retirement system was geared on having the three legs of OAS/GIS, the CPP, and having the private pension. But if you can't get into the private pension plan because you're working in a job that doesn't have one, then obviously your retirement is not going to be as good as it was for people in the past, who had jobs in companies that had good pension plans.<sup>66</sup>

Since the majority of adult women are now part of the paid labour force, we might implicitly assume that they are able to save for their retirement and avoid poverty in their latter years. Yet the extent to which a woman can save depends on her income, income stability and the need to contribute to family income and provide for dependents.

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64 Campaign 2000, Brief submitted to the House of Commons Standing Committee on the Status of Women, May 1, 2007.

65 Ibid.

66 John Anderson, National Council of Welfare, June 13, 2006.

Every country comes to a different position as to how much they should replace after a person retires. The standard around the world is that about 70% of pre-retirement earnings should be enough to live on in post-retirement. Canada's public pension system itself covers off about 40% and private pensions, RRSPs, and other elements of our system cover off the remaining 30%.<sup>67</sup>

A number of witnesses confirmed that, in many cases, it is difficult to save. Private retirement savings are concentrated in a limited percentage of families: 25% of families account for 84% of these savings, while three in ten families have no private retirement savings.<sup>68</sup>

Women entrepreneurs recommended innovative measures relating to pensions and savings plans. Representatives of the Certified General Accountants Association of Canada argued that greater flexibility in tax measures relating to savings plans could enhance their economic security.

Increasing RRSP contribution limits and allowing RRSPs to serve as collateral for "qualifying" private ventures are strategies that could make a difference.<sup>69</sup>

Farm women pointed out that:

... one of those solutions is for farm women to have their own private pension plan, very similar to nurses, teachers, lawyers, and anyone else who is deemed a professional.<sup>70</sup>

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67 Mitch Bloom, Social Development Canada, June 8, 2006.

68 Statistics Canada, *The Daily*, December 14, 2001.

69 Certified General Accountants of Canada, brief, May 17, 2007. p.5.

70 Karen Fyfe, National Farmers Union, March 29, 2007.



## 4. ECONOMIC SECURITY OF WOMEN — THE COST SIDE

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A lone mother with one child living the average distance below the poverty line in a large city would have had an estimated income of \$16,467 in 2004. Most parents would have a real challenge balancing rent, food, child care and medical expenses on that meagre an income.<sup>71</sup>

### INTRODUCTION

Chapter 4 identifies the costs incurred by women that have an impact on their economic security. These costs are related to women's basic living necessities and caregiving responsibilities.

The costs women incurred varied depending on the types of services, programs and infrastructures that were available or accessible to different groups of women. These costs impacted certain women more so than others, particularly senior women, immigrant women, Aboriginal women, women with disabilities, women living in rural areas and women who are single-parents.

The challenges women faced in attempting to secure economic security fell into two broad areas. Witnesses pointed out that vulnerable women faced difficulties obtaining basic living necessities such as food, decent housing, transportation, health care services and medication. Witnesses also identified the need for maximizing the choices women had available to them in addressing women's child care and elderly care responsibilities.

Several witnesses suggested to the Committee that flexible and comprehensive solutions need to be incorporated to address the cost side of women's economic security. Sue Calhoun from the Canadian Federation of Business and Professional Women's Clubs emphasized the inter-connected nature of women's lives noting that women's economic security "will not be resolved unless you take a holistic approach and look at all the things that impact on what women in the workforce are able to make today."<sup>72</sup>

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71 Campaign 2000, Submission to the House of Commons Standing Committee on the Status of Women Regarding the Economic Security of Women, brief, May 1, 2007, p. 3.

72 Sue Calhoun, First Vice-President, Canadian Federation of Business and Professional Women's Clubs, Evidence, Feb. 22, 2007.

Lorraine Desjardins from the Fédération des associations de familles monoparentales et recomposées du Québec recommended that the Committee look at the cost side of economic security as a societal investment:

We must make societal choices and invest. Instead of viewing social programs as expenses, they should instead be viewed as investments. In education, for example, if we enable a woman head of a single-parent family to earn a diploma, she will get a job that will provide her with a decent salary and she will ultimately pay taxes.<sup>73</sup>

#### 4.1 BASIC LIVING NECESSITIES

Accessing and being able to afford basic living necessities was a recurrent theme voiced by witnesses. Anuradha Bose from the National Organization of Immigrant and Visible Minority Women informed the Committee that immigrant families deplete their life savings when they immigrate to Canada in order to pay for basic living expenses. “Shortly after landing, they join the ranks of the working poor, with little hope of escape within a decade.”<sup>74</sup> In a similar vein, Colleen Purdon from the Rural Women Take Action on Poverty Committee emphasized lack of access to basic needs.

social assistance, government pensions, and minimum wage jobs do not cover basic needs for food, housing, heat, transportation, and health care in rural communities. Women and children can be left destitute or dependent on family or charitable supports to cover their basic needs.<sup>75</sup>

Witnesses also emphasized that the cost of living was higher in remote and rural areas than in urban areas. The Pauktutit Inuit Women of Canada estimated that the cost of living can be “40% to 100% higher than in southern Canada”.<sup>76</sup>

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73 Lorraine Desjardins, Research and Communication Officer, Fédération des associations de familles monoparentales et recomposées du Québec, Evidence, March 22, 2007.

74 Anuradha Bose, Executive Director and Project Manager, National Organization of Immigrant and Visible Minority Women, Evidence, March 29, 2007.

75 Colleen Purdon, Coordinator, Rural Women Take Action on Poverty Committee, Evidence, May 10, 2007.

76 Pauktutit Inuit Women of Canada, *Economic Security of Inuit Women*, brief, April 26, 2007, p. 6.



### 4.1.1 Food Costs

Food costs were one of the basic living necessities that witnesses cited as impacting women's economic security. Witnesses pointed to the exorbitant food costs that women experienced in the North. "[I]n Pond Inlet, Nunavut, one litre of orange juice sold for \$22, and Ocean Spray cranberry cocktail was selling for \$42."<sup>77</sup> Jennifer Dickson of the Pauktuutit Inuit Women of Canada informed the Committee that "[q]uality food can be very expensive" whereas "[j]unk food is cheaper because it is often lighter and less expensive to ship."<sup>78</sup> She also pointed out that high food costs "contribute to a poor diet, which in turn contributes to heart disease, diabetes, and tooth decay."<sup>79</sup>

Not only do women in remote areas incur high food costs, women living in rural communities also faced difficulties addressing their food requirements.

That economic security is a growing problem in rural Canada is brought home by a report by the Canadian Association of Food Banks in 2003, which pointed out the irony of increasing numbers of people living in Canada's food producing regions, and even food producers themselves needing to access food banks.<sup>80</sup>

### 4.1.2. Housing Costs

The Committee heard from several witnesses about housing insecurities such as rental costs, overcrowded dwellings, the need for safe and adequate housing.<sup>81</sup> Witnesses suggested that the economic security of Aboriginal and Inuit women, senior women and single parents would be greatly improved if they had access to affordable and decent housing.

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77 Jennifer Dickson, Executive Director, Pauktuutit Inuit Women of Canada, Evidence, April 26, 2007.

78 Ibid.

79 Ibid.

80 Diane Martz, as an individual, Evidence, May 10, 2007.

81 Canada Mortgage and Housing Corporation (CMHC) defines acceptable housing as housing that is adequate in condition, suitable in size, and affordable.

Witnesses noted that according to the 2001 census, “nearly 40% of single-parent families headed by women were in a precarious situation with regard to housing.”<sup>82</sup> In Quebec, single parents spent “over 30% of their incomes on housing, particularly where they are headed by women”.<sup>83</sup> Robert Dobie from the National Advisory Council on Aging emphasized the need for affordable housing noting that “In 2001 almost 50% of all senior women renters living alone had core housing needs”.<sup>84</sup>

The National Council of Welfare underlined the need for affordable housing indicating that senior women faced the greatest risks to income insecurity.

If housing costs continue to spiral upwards, particularly in our major cities, this is going to affect seniors, particularly senior women. It’s very important that we have more affordable housing, and we don’t have enough right now.<sup>85</sup>

Witnesses discussed the poor housing conditions encountered by women from Inuit and Aboriginal communities. Beverly Jacobs from the Native Women’s Association pointed to the need for both “affordable housing and safe housing” as “priority issues” particularly for women living on reserve.<sup>86</sup> Jennifer Dickson from the Pauktuutit Inuit Women of Canada informed the Committee that “70% of houses in northern Quebec and about 55% of houses in Nunavut were considered extremely overcrowded.” She also noted that “one-quarter of all Inuit are living in dwellings that are in need of major repair”.<sup>87</sup>

In order to address these various housing issues, Ruth Rose, Adjunct Professor of Economics, Université du Québec à Montréal, suggested that there was a federal role in providing “leadership and direct funding in the area of housing”.

In the Scandinavian countries, rather than having welfare or social assistance programs, they have housing programs. That means that when people are working at low incomes they also get support and are less likely to need to go on social assistance.<sup>88</sup>

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82 Lorraine Desjardins, Research and Communication Officer, Fédération des associations de familles monoparentales et recomposées du Québec, Evidence, March 22, 2007.

83 Ibid.

84 Robert Dobie, Interim Chairperson, Division of Aging and Seniors, National Advisory Council on Aging, Evidence, June 13, 2006.

85 John Anderson, Senior Researcher and Policy Advisor, National Council of Welfare, Evidence, June 13, 2006.

86 Beverley Jacobs, President, Native Women’s Association of Canada, Evidence, Feb. 20, 2007.

87 Jennifer Dickson, Executive Director, Pauktuutit Inuit Women of Canada, Evidence, April 26, 2007.

88 Ruth Rose, Adjunct Professor of Economics, Université du Québec à Montréal, Evidence, March 20, 2007.

## **Recommendation 10:**

**The Committee recommends that the federal government, in collaboration with the provincial and territorial governments, develop a national housing strategy and ensure that there is adequate, affordable, appropriate and accessible housing for women.**

### **4.1.3 Transportation Costs**

Witnesses discussed transportation costs in terms of affordability and accessibility to public transportation. Women living in rural and remote areas did not have access to public transportation and depended on personal forms of transportation. In contrast, women with disabilities relied heavily on accessible transportation for both employment and basic necessities.

Karen Fyfe of the National Farmers Union explained to the Committee that rural women were “held hostage” because they depended on “friends and neighbours” for their transportation. Such a situation was particularly difficult for women who were in abusive relationships.

If you want to escape an abusive situation, you have to get on the phone in the strictest confidence and ask to be picked up and taken to the women’s shelter or to the hospital.<sup>89</sup>

This was further reinforced by Colleen Purdon from the Rural Women Take Action on Poverty Committee who pointed out that some women could not “access services, supports or employment” because “there is no public transportation”.<sup>90</sup> Even if women owned their means of transportation, other costs had to also be considered such as gas, insurance, and vehicle repairs.

For women with disabilities, “Affordable transportation is necessary, absolutely crucial, if people are going to get to work”.<sup>91</sup> Carmela Hutchinson from the DisAbled Women’s Network of Canada noted that there was a need for “dedicated funding” for disabled transit.

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89 Karen Fyfe, National Women’s Vice-President, National Farmers Union, Evidence, March 29, 2007.

90 Colleen Purdon, Coordinator, Rural Women Take Action on Poverty Committee, Evidence, May 10, 2007.

91 Carmela Hutchison, President, DisAbled Women’s Network of Canada, Evidence, May 3, 2007.

#### **4.1.4 Health Care and Medical Costs**

The Committee heard from various witnesses about women's health care and medical costs. Witnesses suggested that the Canadian health care system needed to be "strengthened" so as to cover other costs such as "vision and dental care, prescription drugs, and home care".<sup>92</sup> Carmela Hutchinson from the DisAbled Women's Network of Canada informed the Committee that people with disabilities lose access to medication and to home care because "those supports [...] are linked to income".<sup>93</sup>

Witnesses representing senior women noted that the current health care system did not adequately address preventative healthcare that seniors needed such as physiotherapy and podiatry.<sup>94</sup> They also emphasized that a national pharmacare program for the elderly could help.<sup>95</sup> Alice West from the Women Elders in Action poignantly described how senior women are forced to make a choice between spending on groceries and spending on medication. She noted: "That's not a situation we want to continue."<sup>96</sup>

#### **4.2 MAXIMIZING WOMEN'S CHOICES FOR CHILDCARE AND ELDERCARE SERVICES AND SUPPORT**

Women's caregiving responsibilities affect their labour force participation and their economic security.

Research has shown that working women are just as likely to become caregivers as their non-working counterparts, although working women who take on caregiving tasks may reduce their work hours.<sup>97</sup>

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92 Ruth Rose Adjunct Professor of Economics, Université du Québec à Montréal, Evidence, March 20, 2007.

93 Carmela Hutchinson, President, DisAbled Women's Network of Canada, Evidence, May 3, 2007.

94 Joanne Blake, Member, Women Elders in Action, Evidence, Feb. 22, 2007.

95 Ibid.

96 Alice West, Chair, Women Elders in Action, Evidence, Feb. 22, 2007.

97 Deborah Tunis, Acting Assistant Deputy Minister, Social Policy, Department of Social Development, Evidence, June 8, 2006.

As Deborah Tunis from the Department of Social Development remarked, “women aged 25 to 44 who were not in the labour force in 2005 cited family responsibilities as a key factor in their absence from the labour force.”<sup>98</sup> The Committee also heard that “[r]educed attachment to the labour market, costs of day care, and other child-related expenses can compete with other critical financial needs, including saving for retirement.”<sup>99</sup> Furthermore, “women traditionally play the predominant role in caregiving for the elderly.”<sup>100</sup> Such caregiving responsibilities also impact women living in rural communities.

Because of the “economic consequences”<sup>101</sup> of caregiving that women incur, it is important to consider women’s economic security in terms of maximizing opportunities for women to make choices related to childcare and eldercare services and support. Both Beverley Smith, a long-time researcher and activist promoting equality for unpaid caregiving roles for men and women, and Monica Lysack from the Child Care Advocacy Association of Canada emphasized that women needed to be able to make these choices and to have such choices made available to them.<sup>102</sup>

#### **4.2.1 Childcare**

The need for an accessible and affordable system of childcare was a recurrent theme in many of the testimonies that the Committee heard. Witnesses emphasized that such a system was “an essential component to women’s ongoing economic security”.<sup>103</sup> They also noted that “child care alone was not sufficient to maintain labour force attachment.” Campaign 2000 suggested that additional supports were needed, particularly for women who were single parents, such as “supportive work environments, affordable housing, accessible transportation and recreation, and a supportive network of family and friends”.<sup>104</sup>

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98 Ibid.

99 Virginia Poter, Director General, Economic Security and Policy, Department of Human Resources and Social Development, Evidence, Feb. 15, 2007.

100 Deborah Tunis, Acting Assistant Deputy Minister, Social Policy, Department of Social Development, Evidence, June 8, 2006.

101 Janet Fast, Co-Director, Research on Aging, Policies and Practice Research Program, Department of Human Ecology, University of Alberta, As an Individual, Evidence, April 19, 2007.

102 Beverley Smith, as an individual, Evidence, April 24, 2007 and Monica Lysack, Executive Director, Child Care Advocacy Association of Canada, Evidence, April 24, 2007.

103 Monica Lysack, Executive Director, Child Care Advocacy Association of Canada, Evidence, April 24, 2007.

104 Campaign 2000, Submission to the House of Commons Standing Committee on the Status of Women Regarding the Economic Security of Women, Brief, May 1, 2007, p. 5.

Witnesses identified that “good quality, flexible child care” was a “critical need in rural Canada”.

Child care is a critical economic development issue for present and future generations, and a necessity for women who want to increase their education or earn a wage.<sup>105</sup>

Rural women pointed out that there were insufficient childcare spaces that addressed the child care needs of rural parents.

In one of the most economically vibrant rural regions in Saskatchewan, there was only one licensed day care centre and one licensed day care home, which provided child care spaces for fewer than 1 in 50 of the children aged zero to twelve. So there's obviously a critical need for child care options in this rural region.<sup>106</sup>

Witnesses noted that there was a need for funding licensed facilities and pointed out that the provision of childcare subsidies and vouchers did not address rural women's needs.

Funding for child care based on small subsidies and vouchers will not result in the provision of licensed child care options in rural Canada, so program funding needs to receive priority as new licensed facilities that offer quality child care are needed desperately.<sup>107</sup>

The Committee heard from several witnesses that the current childcare subsidies were insufficient:

... people would love to have \$100 in their pocket, but if you don't have a child care space, if you don't have facilities, if you don't have places for children, then it's of no benefit.<sup>108</sup> (français).

There is still a problem accessing child care. I don't believe an additional \$100 a month solves the problem. There may need to be more spots created so there's not as long a waiting list. There may need to be more of an allowance given.<sup>109</sup>

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105 Diane Martz, As an Individual, Evidence, May 10, 2007.

106 Ibid.

107 Ibid.

108 Colleen Purdon, Coordinator, Rural Women Take Action on Poverty Committee, Evidence, May 10, 2007.

109 Sheila Konanur, Settlement Counsellor, AWIC Community and Social Services, Evidence, April 19, 2007.

[Y]ou can't put a child in day care for \$100 a month. So if you use that on economics of scale, a woman goes out to work and — let's just keep it simple — she makes \$12 an hour, but she puts her child in day care, and that's costing her \$7 an hour. So her net return is only \$5, because day care is no longer affordable.<sup>110</sup>

Sheila Konanur with the AWIC Community and Social Services informed the Committee that “a national childcare strategy that takes into consideration the unique needs of immigrant women” was needed.

The absence of a national child care strategy and the lack of affordable child care has its greatest impact on low- to middle-income families and affects female labour market participation.<sup>111</sup>

Witnesses pointed to the need for a childcare system so as to assist women in balancing their work and family responsibilities. Louise Nesterenko, Fellow Certified General Accountant, suggested that the federal government needed to consider establishing a childcare system because women in the future will be making a significant contribution to the Canadian economy:

What's going to happen is, if you look at us aging baby boomers, we're going to leave the market, so that means down the road, let's say in 2030, only four women are going to be in my sector. So, what you have to deal with, as a government, you are going to have stress and pressure on our young. How are they going to sustain our economy? We need to look at that sooner than later, which is affordable daycare. We need to provide or find spaces.<sup>112</sup>

### **Recommendation 11:**

**The Committee recommends that the federal government support the efforts of the provinces and territories to implement or maintain a universal and high quality system of early learning and child care that is that is developmental, affordable and accessible.**

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110 Louise Nesterenko, Fellow Certified General Accountant, Certified General Accountants Association of Canada, Evidence, May 17, 2007.

111 Sheila Konanur, Settlement Counsellor, AWIC Community and Social Services, Evidence, April 19, 2007.

112 Louise Nesterenko, Fellow Certified General Accountant, Certified General Accountants Association of Canada, Evidence, May 17, 2007.

## 4.2.2 Elderly Care

The Committee heard from several witnesses who described women's caregiving responsibilities to the elderly. Virginia Poter from the Department of Human Resources and Social Development informed the Committee that "About one million Canadian seniors receive formal and informal care for long-term physical needs."

This care is usually provided by women. These caregiving challenges are most acute for women with little or no family support network.<sup>113</sup>

Associated with these caregiving responsibilities are other costs women incur such as transportation, medication, and equipment and homemaking supplies.

[T]he best estimates are that between 40% and 50% of women caregivers make out-of-pocket expenditures that they would not have made otherwise if they hadn't taken on care responsibilities. The main items on which they spend this money include transportation, prescription and non-prescription medications and medical supplies, and equipment and homemaking supplies. According to one survey, almost one-quarter spent \$300 or more per month on these extra items.<sup>114</sup>

Colin Lindsay from Statistics Canada noted that in the future, women will carry a heavier burden for caring for the elderly.

As at least several of the other speakers said, the issue of social support for the very oldest segments of Canadian society is going to be a kind of double-barrelled burden for the overall female population. On the one hand, female seniors will make up the substantial majority of those needing such support in the future; at the same time, if history is any guide, it will largely fall to their daughters to provide that kind of support.<sup>115</sup>

In order to address women's caregiving responsibilities and to maximize the choices available to both caregivers and elderly women, it was suggested that the current community care access framework be expanded so that women are not left with institutionalized care as their only solution.

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113 Virginia Poter, Director General, Economic Security and Policy, Department of Human Resources and Social Development, Evidence, Feb. 15, 2007.

114 Janet Fast, Co-Director, Research on Aging, Policies and Practice Research Program, Department of Human Ecology, University of Alberta, As an Individual, Evidence, April 19, 2007.

115 Colin Lindsay, Senior Analyst, Social and Aboriginal Statistics Division, Statistics Canada, Evidence, February 15, 2007.



We need to support the choice not to be institutionalized. In most situations, in the situation you talked about, there is no choice. It's not "Shall I go to the institution or shall I stay home?" It's "Shall I go to the institution or stay home without anything?" We have the idea that you're either independent or you're institutionalized. What I'm saying is that there's a bridge, and the bridge is community support.<sup>116</sup>

The Committee received a number of suggestions about how the federal government could improve supports to help balance paid and unpaid work and recognize the value of unpaid work. Janet Fast<sup>117</sup> suggested that some of the existing government measures could be strengthened, noting that the caregiver tax credit and the compassionate care benefits program should be revisited in terms of their comprehensiveness, inclusiveness and level of benefit provided.

#### **Recommendation 12:**

**The Committee recommends that the Department of Human Resources and Social Development Canada improve the Compassionate Care Benefits under the Employment Insurance program, by increasing the maximum number of weeks and by amending the eligibility criteria to make the benefit more widely available to persons caring for sick or elderly relatives or friends.**

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116 Mary McGowan, Executive Director, Neighbourhood Link/Senior Link, Evidence, March 22, 2007.

117 Janet Fast, University of Alberta, Evidence, 19 April 2007.



## 5. WHAT THE COMMITTEE HEARD ABOUT GOVERNMENT PROGRAMS AND TAX MEASURES

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Can a strategy be developed to help women now and in the future have the home and working lives they want, with as little economic insecurity as possible?

### INTRODUCTION

A number of witnesses encouraged the Committee to adopt a holistic framework to address the economic security of women and to recognize that broad demographic and economic trends contribute to women's economic security. This was stressed by a witness from Human Resources and Social Development Canada, who reminded the Committee that a strong economy provides economic security for society as a whole, including women. Major social changes have also occurred since the rules for programs such as the Canada Pension Plan were developed:

Senior women are discriminated against, as far as CPP [Canada Pension Plan] is concerned, in that most of the current senior women either came through the system before the introduction of the CPP [...] these senior women now draw either a minimum amount of CPP or none at all.<sup>118</sup>

The Committee noted that:

Building security could include gaining financial knowledge or new employment skills, having insurance against loss or adversity and being able to save in various ways for retirement or for a child's education. When individuals are not in a position to cover their own basic economic needs themselves, government social programs and income support play a significant role in ensuring economic security.<sup>119</sup>

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118 Ken Wilson, Canadian Activists for Pension Splitting, March 27, 2007.

119 F/P/T Ministers for the Status of Women, Women's Economic Independence and Security: A Federal/Provincial/Territorial Strategic Framework, March 2001, p. vi.

During the Committee's consultations, witnesses pointed out how some measures and government programs affect women's economic security. The Committee was also told that the various program elements are inter-related:

Obviously, the various elements of the retirement income system interact with each other, so changes to one part of the system may affect the operation of another part. For example, reducing the level of benefits available from the public earnings-related plan (the CPP/QPP) could increase claims on the basic income guarantee (OAS/GIS). Policies that resulted in more people saving on their own for retirement could conceivably result in reducing claims on the first tier of the system.<sup>120</sup>

## 5.1 EMPLOYMENT INSURANCE

### 5.1.1 Access to Employment Insurance benefits

The Committee heard that "women, overall, have lower access to employment benefits than do men, largely because of the nature of the jobs that they occupy."<sup>121</sup> This includes access to Employment Insurance (EI) benefits. Witnesses suggested that the eligibility criteria made it difficult for women in non-standard work arrangements to qualify for benefits and described difficulties accessing training through Employment Insurance.

Several witnesses, like Monica Townson, reminded the Committee that the 1996 changes to the (then) Unemployment Insurance program resulted in a reduction in eligibility among women<sup>122</sup>:

When women lose their jobs, they generally can no longer qualify for what we used to call unemployment insurance. Back in the 1980s, 70% of unemployed women got benefits. Then in 1996 the rules were changed, and the program was renamed employment insurance. Now only about 32% of unemployed women, compared with 40% of unemployed men, get employment insurance benefits, which replace about 55% of their usual earnings when they're out of work. In some parts of the country, coverage is much lower than that. In Ontario, for instance, only 23% of unemployed women get EI benefits.

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120 Monica Townson, *Canadian Centre for Policy Alternatives*, Evidence, February 15, 2007.

121 Barbara Glover, Department of Human Resources and Social Development, brief, Monica Townson, *Canadian Centre for Policy Alternatives*, Evidence, February 15, 2007.

122 Monica Townson, *Canadian Centre for Policy Alternatives*, Evidence, February 15, 2007.

Lucya Spencer of the Ontario Council of Agencies Serving Immigrants echoed the sentiment of several witnesses when she recommended that the government “change work-related legislation such as the *Employment Insurance Act* to ensure that more workers would qualify and to redress the systemic inequality faced by women.”<sup>123</sup> Others pointed out that increased access to EI would also extend access to maternity and parental benefits and that “increased access to unemployment benefits for maternity, adoption, and parental benefits will have a significant impact on the economic security of women in their younger years.”<sup>124</sup>

The Committee also heard that some groups, such as the self-employed, do not have access to Employment Insurance benefits or training. This is particularly problematic, as “many women are in non-standard work arrangements where employers treat them as independent contractors and therefore do not make CPP and other payments.”<sup>125</sup> These women, who do not fit the traditional model of the self-employed, do not have access to labour market training opportunities provided under Employment Insurance if their employers have not paid into EI on their behalf. This is also a concern for women in the agricultural sector, who told the Committee that “training and education programs are very closely linked to employment insurance, for which many farm women would never qualify because they don’t work off the farm.”<sup>126</sup>

#### **Recommendation 13:**

**The Committee recommends that the federal government change the eligibility criteria under the *Employment Insurance Act* to increase access to benefits to persons in part-time or part-year work.**

#### **Recommendation 14:**

**The Committee recommends that the federal government extend eligibility for maternity and parental benefits by changing qualifying requirements to allow parents to reach back over the three-to five-year period prior to the birth of the child.**

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123 Lucya Spencer, Ontario Council of Agencies Serving Immigrants, Presentation to the Parliamentary Standing Committee on the Status of Women on Economic Security for Older Immigrant and Refugee Women in Canada, March 29, 2007.

124 John Staples, Canadian Teachers’ Federation, Evidence, May 8.

125 Ontario Council of Agencies Serving Immigrants, *Presentation to the Parliamentary Standing Committee on the Status of Women*, brief, March 29, 2007, p. 5.

126 Karen Fyfe, National Farmers Union, Evidence, March 29, 2007.

### 5.1.2 Access to Employment Insurance Special Benefits (Maternity, Parental, Sickness, Compassionate Care Benefits)

Ruth Rose of the Université du Québec à Montréal identified maternity and parental benefits as the most important measure to be adopted, proposing that it be made universally available, with a higher income replacement rate.<sup>127</sup>

When you look around the world at countries that have low rates of poverty, particularly for single mothers, they have high rates of labour force participation. That's why I think that while we want women and men to be able to take care of their children, the most important poverty-fighting measure we can have for women is keeping their feet in the labour market when they have small children. That's why child care and maternity benefits are so important. When you're on maternity leave you maintain your relationship with your employer, and you maintain your income.<sup>128</sup>

The National Council of Welfare pointed out that "EI, maternity, and parental benefits are least accessible to those mothers who need them the most, although EI evaluations show that there are wonderful benefits for workers and children if they qualify."<sup>129</sup>

Currently, self-employed persons can neither contribute to EI nor draw benefits. The Certified General Accountants Association of Canada highlighted the challenge faced by self-employed women who are ineligible for special benefits under the Employment Insurance program:

As employers, they contribute financially to the EI program. But as individuals, as we know, they're unable to access the program. As the program expands beyond maternity benefits into issues like compassionate leave, women entrepreneurs are more and more disadvantaged. So women are still primary caregivers. The numbers don't lie on that. We think that expanding the EI program is a necessary policy direction that we need.<sup>130</sup>

The Committee heard that "Quebec has recently revamped its EI program to enable it to provide maternity benefits more broadly than the federal government does, and the program has enormous support."<sup>131</sup> Some witnesses suggested that a similar extension of benefits be considered at the federal level.

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127 Ruth Rose, Université du Québec à Montréal, Evidence, March 20, 2007.

128 Ibid.

129 Sheila Regehr, National Council of Welfare, Evidence, June 13, 2006.

130 Carole Presseault, Certified General Accountants Association of Canada Evidence, May 17, 2007.

131 Beverley Smith. Submission to the Standing Committee on the Status of Women, Evidence, April 24, 2007.

Its study on Maternity and Parental Benefits under EI led Women's Network PEI to conclude "Bottom line is that the maternity or parental leave currently offered to families in Canada is a great opportunity for some, a lost opportunity for many."<sup>132</sup>

**Recommendation 15:**

**The Committee recommends that the federal government amend the *Employment Insurance Act* to allow self-employed persons to opt into the special benefits programs under the Employment Insurance (EI) program, such as maternity and parental benefits and the Compassionate Care Benefit.**

## **5.2 OLD AGE SECURITY AND GUARANTEED INCOME SUPPLEMENT**

Old Age Security (OAS) is a residence-based pension program based on age and years of residence in Canada. It recognizes the contribution made by seniors to society, regardless of whether they were doing paid or unpaid work. Additional benefits that specifically target low-income seniors include the guaranteed income supplement, which is available to low-income OAS pensioners, and the allowance that is available to low-income spouses, common-law partners, or survivors between the ages of 60 and 65.<sup>133</sup>

Because the incidence of low income among unattached women remain high, a higher proportion of women receive the guaranteed income supplement (GIS) to supplement their OAS. "In 2003, OAS and GIS, the spouse's allowance, comprised 32% of senior women's annual incomes, compared to approximately 17% for senior men."<sup>134</sup>

Witnesses suggested that the OAS and GIS are insufficient to allow seniors, especially those who are unattached, to live above the low-income cut-off. In 2003 an unattached person who received only OAS and the GIS had an average annual income of \$12,031, an amount much less than the low-income cut-off for urban areas, where the cost of living is high.<sup>135</sup>

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132 Women's Network PEI, *Improving Maternity and Parental Benefits for Canadians*.

133 Susan Scotti, Department of Social Development, Evidence, June 8, 2006.

134 Ibid.

135 Robert Dobie, National Advisory Council on Aging, Evidence, June 13, 2006.

### **Recommendation 16:**

**The Committee recommends that the federal government increase the Guaranteed Income Supplement (GIS) so that total Old Age Security and Guaranteed Income Supplement provides an after tax income above the poverty line.**

## **5.3 CANADA PENSION PLAN**

The Canada Pension Plan is a joint federal-provincial plan that provides retirement, survivor and disability pensions, death benefits, and orphans benefits to contributors and their families. The Plan is funded through compulsory contributions of all working Canadians between the ages of 18 and 70 who are not receiving a retirement or disability pension from the Plan.<sup>136</sup>

The Committee heard that the CPP had several features which generally or specifically target women: it covers all workers, including those in sectors with low rates of employer-sponsored pension coverage; it covers part-time and self-employed workers; it is portable between jobs; it provides a child-rearing dropout provision which effectively increase the value of a person's pension benefits; it allows for credit splitting between former partners upon the dissolution of a marriage or common-law relationship to ensure that CPP credits earned while living together are split equally; it allows for pension sharing between the spouses which is potentially beneficial for tax purposes, and it includes a survivor's pension to provide the surviving partner with additional income.

Witnesses raised a number of concerns about CPP, suggesting that:

1. Governments should ensure automatic and compulsory sharing of pension rights under the CPP following divorce or legal separation;
2. The CPP drop-out provisions should be expanded to compensate for time that is spent outside the labour force, or with very low earnings, raising children and providing other forms of care-giving; and
3. Canadians should be allowed to contribute to the maximum contributions of CPP on a voluntary basis, whether or not they are in the paid labour force;
4. The survivor benefits available to the surviving partner of a CPP recipient are too low; and

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136 Library of Parliament. *Legislative Summary*. "Bill C-36: An Act to amend the Canada Pension Plan and the Old Age Security Act" [http://pintrabp.parl.gc.ca/lopimages2/prbpubs/l3911000/391c36\\_1-e.asp](http://pintrabp.parl.gc.ca/lopimages2/prbpubs/l3911000/391c36_1-e.asp) .



5. Immigrants from countries with which Canada has not signed a Social Security Agreement must wait ten years to qualify for CPP and for Old Age Security.

### **5.3.1 Compulsory sharing of CPP pension rates following divorce or separation**

The Canada Pension Plan has provisions which make it possible to split CPP credits between partners upon separation. Some witnesses, such as the National Advisory Council on Aging suggested that “Women who are divorced or separated have much lower retirement incomes than do single women and widows, as most divorced women do not claim a portion of their former spouse’s pension, despite being entitled to it.”<sup>137</sup> Prior to the coming into force of Bill C-36, in May 2007, it had been necessary to apply to split CPP credits within four years of separation. This time limitation is now removed, making it possible to make an application at any time after that four-year period, if both former common-law partners agree in writing.

### **5.3.2 CPP drop-out provisions for caregiving**

The CPP Child Rearing Provision removes the years spent raising children from the formula to calculate CPP benefits. “When these years are not taken into consideration in the calculation, the impact is usually to raise the level of CPP benefits”.<sup>138</sup> Several witnesses suggested that other forms of caregiving should similarly be recognized by the Canada Pension Plan, such as caring for a person with a disability or elderly friend or family member. In the words of the witness from the Canadian Teachers’ Federation, “If drop-out time is legitimate for addressing issues related to young children, it should be equally legitimate for addressing drop-out periods for elder care.”<sup>139</sup>

### **Recommendation 17:**

**The Committee recommends that the federal government develop a drop-out provision in the Canada Pension Plan, similar to the existing drop-out provision for childcare, for people who are caring for individuals with disabilities or the elderly.**

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137 Robert Dobie, National Advisory Council on Aging, Evidence, June 13, 2006.

138 BPW, Position Statement: Incomes for Senior Women in Canada, brief, p. 3.

139 John Staple, Canadian Teachers’ Federation, Evidence, May 8, 2007.

### 5.3.3. Voluntary contributions to CPP

Some witnesses suggested that Canadians should have the choice to increase their contributions to the maximum CPP amounts, whether or not they are in the labour force. The National Council of Welfare told the Committee

Right now if you're a low-income worker, as many women are, then you only can contribute a certain amount. Therefore that affects the pension you receive later on. If you could contribute the full amount, and maybe get your employer also to contribute an extra amount, or contribute both the employee and employer amount yourself, this would be much more useful than actually purchasing an RRSP with the same amount of money. You would be doing yourself a much greater service to assure yourself that when you retired you had the full CPP. It would be allowing all Canadians, those who wanted to, to up their contributions to get the maximum.<sup>140</sup>

#### **Recommendation 18:**

**That the federal government develop options, in consultation with Canadians, on how the Canada Pension Plan could be amended to allow individuals to choose to increase their contributions to the maximum CPP amounts, or to participate in the CPP if they are currently outside the labour market.**

### 5.3.4 CPP Survivor Benefit

Several witnesses commented that the CPP Survivor benefits which are payable to a surviving spouse or common-law partner were too low. Currently, for seniors aged 65 or more, the CPP Survivor benefits are set at up to 60% of the contributor's retirement pension. A document prepared by Women in Action identified a common concern about this level of benefit:

This means a survivor's income from an occupational pension plan and/or CPP/QPP is reduced by 40% upon a spouse's death. This is certainly an improvement from not too many decades ago when a woman found her husband's pensions disappeared entirely upon his death or were cut in half. However, women who are receiving only 60% of that previous pension income may not be able to maintain their standard of living as the rate required to cover living expenses for one person is somewhere between 2/3 and 70% of living expenses for a couple. This institutionalized inadequacy may cause many widows to eventually become impoverished.<sup>141</sup>

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140 John Anderson, National Council of Welfare, Evidence, June 13, 2006.

141 Women Elders in Action (WE\*ACT). Pensions in Canada: Policy Reform Because Women Matter, Vancouver, 2004.

The pension income of the surviving partner is currently calculated into the level of entitlement to the CPP survivor benefit. The Canadian Teachers' Federation recommended that the surviving partner "should receive a survivor's benefit unaffected by any other benefit paid to the individual under CPP/QPP."<sup>142</sup>

**Recommendation 19:**

**The Committee recommends that the CPP survivor benefits for seniors aged 65 or more be increased from up to 60% of the contributor's retirement pension to 70%.**

**5.3.5. Access to CPP for New Immigrants**

The Committee heard that residency or contribution requirements linked to CPP and Old Age Security put senior immigrants at increased risk of low income. In fact, many newcomers may not qualify for these income programs. In its brief, the Ontario Council of Agencies Serving Immigrants noted that

this wait period is reduced for immigrants from countries that have a social security agreement with Canada. Rich countries in the Global North are overwhelmingly represented in the list. Countries such as China, India and Pakistan being the source of the largest number of immigrant arrivals in the last ten years are not included.<sup>143</sup>

Immigrants who have lived and worked in a country that has an agreement with Canada, and paid into the social security plan of that country can therefore receive benefits in Canada, while other new immigrants do not.

Monica Townson identified a number of barriers faced by immigrant seniors in accessing CPP and Old Age Security:

For old age security you get a pro-rated benefit, depending on how long you've been in the country. Canada Pension Plan is based on your contributions. There are problems with the CPP for immigrants too, because the benefits are calculated based on a contributory period that starts at age 18. You may not have been in the country at age 18, but nevertheless it goes back then.<sup>144</sup>

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142 John Staple, Canadian Teachers' Federation, Evidence, May 8, 2007.

143 Ontario Council of Agencies Serving Immigrants, *Presentation to the Parliamentary Standing Committee on the Status of Women*, brief, March 29, 2007, p. 6.

144 Monica Townson, Canadian Centre for Policy Alternatives, Evidence, February 15, 2007.

## **Recommendation 20:**

**The Committee recommends that the federal government increase the number of countries with which it has social security agreements in order to provide pension coverage to a larger proportion of new immigrant Canadians.**

## **5.4 TAX MEASURES**

### **5.4.1 Tax measures that encourage saving**

Recent retirement income policies have emphasized how important it is for individuals to save on their own. Generous fiscal assistance is provided for retirement savings through registered retirement savings plans (RRSPs). One witness<sup>145</sup> expressed caution about the capacity of women to benefit from tax measures that encourage savings such as RRSPs. Since the majority of adult women are now in the paid labour force, it is assumed that they are able to save for their retirement and avoid poverty in their latter years. Yet the extent to which women can save depends on their income.

In its report of 2004 entitled *Pensions in Canada: Policy Reform Because Women Matter*, We\*ACT recommends converting registered retirement savings plans (RRSPs) and registered pension plans (RPPs) into tax credits under the *Income Tax Act*.

### **5.4.2 Income splitting**

Income splitting refers to a tax savings strategy whereby a family member in a higher tax bracket transfers part of his income to a second family member who is in a lower tax bracket. The income transferred is taxed at a lower rate or not at all if the second family member's income is low enough.

On the one hand, advocates argue that allowing income splitting increases equality among two-parent families where the two parents' incomes differ and two-parent families where the two parents have equal incomes (such as families whose total income is comparable and between \$60,000 and \$90,000). This approach would be helpful for families where one spouse stays home to look after the children. The arguments in favour of income splitting point to the potential tax reduction for single-income families with children and the potential positive demographic impact of reducing of the tax burden on families where one parent stays home with the children.

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145 Monica Townson, Canadian Centre for Policy Alternatives, February 15, 2007.

On the other hand, those opposed to income splitting point to the risk of losing control over income or losing financial independence as a result of splitting income at some point in life, as well as the risk of creating a disincentive to work. Finally, the difficulty in quantifying the value of unpaid work and the value of household production are among the many issues that fuel debate on this matter.

The Canadian tax system includes various measures that prevent income splitting within families, with specific exceptions.

The Federal Budget 2007<sup>146</sup> reiterates the federal government's intention to implement its Tax Fairness Plan announced on October 31, 2006, in order to ease the tax burden on Canadian seniors and help them retain more of their retirement savings. These measures include authorizing the splitting of pension income for eligible retirees.

The witnesses' reaction to pension income splitting was mixed. Canadian Activists for Pension Splitting expressed strong support for the pension income splitting measures announced in the 2007 budget, and that:

In polls, 70% of the population of Canada support pension splitting. That goes way beyond the people who are eligible.<sup>147</sup>

Those in favour of this measure argue that it will produce greater equality among households:

Basically, as far as CAPS is concerned, we entered into this discussion looking at pension splitting as a matter of fairness; that is, that people drawing the same income would end up paying different rates of tax, just because of the way the income was split. We thought that unfairness had to be addressed. Whether that in fact addresses all of the issues you have raised around the table, I guess I can't speak to that specifically, but I can say that if you don't address simple, obvious issues of fairness like that, it may be difficult to undertake others. So as far as I'm concerned, this one puts people earning the same amount of money in the same ballpark paying the same amount of tax, and I think that's the fairness issue we wanted to address.<sup>148</sup>

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146 Department of Finance, Ottawa, March 19, 2007, 2007-022, "Budget 2007: A Stronger, Safer, Better Canada," <http://www.fin.gc.ca/news07/07-022f.html>.

147 Daniel Braniff, Canada's Association for the Fifty-Plus, March 27, 2007.

148 Ken Wilson, Canadian Activists for Pension Splitting, March 27, 2007.

It was argued before the Committee however that income splitting would not help certain vulnerable groups in society.

Neither income splitting nor pension splitting means very much to newcomer families.<sup>149</sup>

Income splitting for farm families will not work, because there's not enough money coming into those families to even have income splitting as a viable option.<sup>150</sup>

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149 Anuradha Bose, National Organization of Immigrant and Visible Minority Women of Canada, March 29, 2007.

150 Karen Fyfe, National Farmers Union, March 29, 2007.

## 6. OTHER ISSUES EMERGING FROM TESTIMONY

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### INTRODUCTION

Chapter 6 provides other suggestions discussed by witnesses that are related to women's economic security. These suggestions largely revolved around ensuring both young women and older women attain higher levels of financial and entrepreneurial literacy and knowledge of the implications of their life course decisions to enable them to make sound financial and business decisions. Another set of issues that emerged from the testimonies focused on the need to address the knowledge gaps and to monitor certain developments and trends. A third set of issues were suggestions related to national initiatives and strategies.

### 6.1 FINANCIAL AND ENTREPRENEURIAL LITERACY

Several witnesses identified financial literacy as an important dimension to women's economic security. Deborah Tunis with the Department of Social Development noted that young mothers may not be cognizant of the impact motherhood has on their future incomes.

[W]omen don't always have all the information to make their decisions about having children — some people defer those decisions until it becomes difficult, in terms of fertility — and decisions about how their family arrangements will affect their later income. So getting some information out so that people are aware of the consequences of their choices earlier on would be a terrific thing.<sup>151</sup>

Mitch Bloom with the Department of Social Development discussed the importance of educating both young boys and girls about their responsibilities through "the course of life, especially into the senior years."<sup>152</sup>

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151 Deborah Tunis, Acting Assistant Deputy Minister, Social Policy, Department of Social Development), June 8, 2006.

152 Mitch Bloom, Director General, Seniors and Pensions Policy Secretariat, Department of Social Development, June 8, 2006.

Daniel Braniff from Canada's Association for the Fifty-Plus emphasized the need for enhancing senior women's financial literacy.

I think this is a matter of financial education, because especially widows, senior widows, are very vulnerable. They become dependent on the social contacts they have and the care they might be getting, and it could be that they're transferring assets they should be retaining.<sup>153</sup>

He also noted that women should gain access to professional financial advice rather than depending on family members or on their spouses to make financial decisions for them.

I believe that no matter what your status is in earning, at the bottom or near the top, you should have advice. Too often, it's the family member who is giving you advice. Too often, it's usually the male in the family who has the big say. I would suggest that at least once or twice in a lifetime you should have a financial plan at any age, and it should come from an authorized accountant."<sup>154</sup>

Carole Presseault from the Certified General Accountants Association of Canada suggested that women would benefit from being able to access supportive learning networks that enhance their entrepreneurial literacy and knowledge.

We need to target the learning, and I think we need to target the learning around networks and women's networks and in that aspect the federal government has a good track record in creating centres of excellence. One of the proposals that we want to leave with you today is the creation of centres of excellence in women entrepreneurship.<sup>155</sup>

These Centres of Excellence, which have been established in Europe and the United States, would provide women with one access point for information and for mentoring.<sup>156</sup>

## 6.2 MONITORING PROGRESS TO ADDRESS KNOWLEDGE GAPS

During the course of their testimonies, witnesses identified various knowledge gaps and recommended monitoring specific areas related to women's economic security. Lucya Spencer with the Ontario Council of Agencies Serving Immigrants, pointed to the knowledge gap that exists with regards to senior immigrant women.

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153 Daniel Braniff, Chairman, Georgian Bay Chapter, Canada's Association for the Fifty-Plus, Evidence, March 27, 2007.

154 Ibid.

155 Carole Presseault, Vice-President, Government and Regulatory Affairs, Certified General Accountants Association of Canada, Evidence, May 17, 2007.

156 Louise Nesterenko, Fellow Certified General Accountant, Certified General Accountants Association of Canada, Evidence, May 17, 2007.



[M]any immigrant women who have been 25 or 30 years in this country cannot speak English or French. Yet they need help; they need assistance; they need services. What we are saying is that we need more in-depth study on this particular issue so that it will help you as policy-makers to put systems and structures in place to make the funds available that will allow them to grow old in this country and feel comfortable.<sup>157</sup>

Dr. Anuradha Bose from the National Organization of Immigrant and Visible Minority Women of Canada suggested a more in depth examination of the economic security of the newcomer population needs to be undertaken. Such a study would examine “the social costs of income insecurity of immigrant women and their families.”<sup>158</sup>

The Committee learned that studies targeting rural women have not been addressed by Statistics Canada.

I know there have been a couple of major reports on rural Canada, but certainly we have not done anything along the target groups. It's one we've lobbied for. We've done a whole bunch of publications — aboriginal people, immigrants, and groups of that nature. I don't really believe we've done a whole lot of significant work in that area, and it's probably something that should be done.<sup>159</sup>

Other knowledge gaps that were identified by the witnesses related to women's caregiving responsibilities.

We know very little about some things like the situations of people who are caring for adult children or other relatives with mental health conditions, for example. So there are some huge knowledge gaps, and there are some huge policy gaps because of that.<sup>160</sup>

Witnesses also noted that there was a need to continue monitoring trends because the future holds less economic security for today's employed women.

Women Elders in Action doesn't share the belief that income security for senior women is no longer a concern. We believe that while inroads have been made, the situation for unattached senior women continues to need improvement. More importantly, current trends are destabilizing the promise of secure futures for today's waged women.<sup>161</sup>

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157 Lucya Spencer, Former President, Ontario Council of Agencies Serving Immigrants, Evidence, March 29, 2007.

158 Dr. Anuradha Bose, Executive Director and Project Manager, National Organization of Immigrant and Visible Minority Women of Canada, Evidence, March 29, 2007.

159 Colin Lindsay (Senior Analyst, Social and Aboriginal Statistics Divison, Statistics Canada, Evidence, February 15, 2007.

160 Janet Fast, Co-Director, Research on Aging, Policies and Practice Research Program, Department of Human Ecology, University of Alberta, As an Individual, Evidence, April 19, 2007.

161 Alice West, Chair, Women Elders in Action, Evidence, February 22, 2007.

### 6.3 NATIONAL INITIATIVES AND STRATEGIES

Witnesses encouraged the federal government to take on several national initiatives and leadership roles. Witnesses noted that the federal government should initiate a national childcare program and a national initiative on community support services. They discussed the need for an overall comprehensive strategy that addressed women's economic security. Witnesses suggested that the federal government initiate an anti-poverty strategy.

Several witnesses identified the need for a national childcare program. Monica Lysack with the Child Care Advocacy Association of Canada recommended that a universally accessible child care program be established to replace the "patchwork" that currently exists.<sup>162</sup>

A pan-Canadian publicly funded, universal, non-profit child care system is fundamental to the advancement of women's equality and has been a central demand of the Canadian women's movement since before the Royal Commission on the Status of Women 35 years ago.<sup>163</sup>

Mary McGowan with the Neighbourhood Link/Senior Link noted that a "national initiative was needed to support seniors, and in particular senior women."<sup>164</sup>

I believe sincerely there should be a blanket of community support services across the country. I think what it would take would be to break down some of the silos that presently exist.<sup>165</sup>

She discussed the positive financial impact of such a program.

So if the investment in community supports were made, fewer people would need to draw on the more expensive health care and long-term care facilities.<sup>166</sup>

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162 Monica Lysack, Executive Director, Child Care Advocacy Association of Canada, Evidence, April 24, 2007.

163 Ibid.

164 Mary McGowan, Executive Director, Neighbourhood Link/Senior Link, Evidence, March 22, 2007.

165 Ibid.

166 Ibid.

Ken Wilson from the Canadian Activists for Pension Splitting noted that there needs to be the political will to ensure a comprehensive strategy to economic security is implemented.

We have to set targets. We have to know what the problems are. We have to plan for what we expect to evolve to as a society. Consequently, yes, I fully support that look ahead, that development of a strategy. I leave it up to the politicians to arrange how to do that.<sup>167</sup>

The National Council of Welfare pointed out that there was a need for an anti-poverty plan that incorporated a gender based analysis.

What really is needed, according to the council, is an anti-poverty plan with clear goals to reduce the risk of poverty, to increase the living standards of those living in deepest and most persistent poverty, and to restore dignity to the way in which people are treated. The plan needs targets, indicators to measure results, the assignment of responsibility, and the resources to make it work.<sup>168</sup>

The Council recommended that the federal government take on a coordinating role with the provinces that have begun to implement their provincial anti-poverty reduction strategies.<sup>169</sup> According to the National Council of Welfare, such an anti-poverty plan “should not be linked to partisan issues. Eliminating poverty is really an issue that all parties should see they have an interest in moving forward on.”<sup>170</sup>

#### **Recommendation 21:**

**The Committee recommends that, in collaboration with the provinces and territories, the federal government develop a national poverty reduction strategy that incorporates gender based awareness with concrete targets and goals to address poverty and Aboriginal poverty in Canada.**

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167 Ken Wilson, Vice-President, Canadian Activists for Pension Splitting, Evidence, March 27, 2007.

168 Sheila Regehr, Director, National Council of Welfare, Evidence, June 13, 2006.

169 John Anderson, Senior Researcher and Policy Advisor, National Council of Welfare, Evidence, June 13, 2006.

170 Ibid.



## **LIST OF RECOMMENDATIONS**

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### **Recommendation 1:**

**The Committee recommends that the federal government reinstate the federal minimum wage and that it be set initially at \$10 an hour.**

### **Recommendation 2:**

**The Committee recommends that the federal government play a leadership role in improving labour legislation to extend a greater protection to the growing segment of non-standard workers, and that it ensure that the working conditions of non-standard workers are placed on the agenda of future meetings of federal/provincial/territorial Ministers of Labour.**

### **Recommendation 3:**

**The Committee recommends that Industry Canada, in cooperation with other relevant departments, take measures to ensure the availability of microcredit opportunities to women in rural and remote regions, including Métis, First Nations, and Inuit women.**

### **Recommendation 4:**

**The Committee recommends that Industry Canada establish a Centre of Excellence for Women Entrepreneurs to support women entrepreneurs, notably by providing additional financial and entrepreneurial education programs.**

### **Recommendation 5:**

**The Committee recommends that the Department of Human Resources and Social Development expand the maternity and parental benefits program to cover two years, and increase the benefit rate to 60%, in order to help parents balance their paid and caring work.**

**Recommendation 6:**

**The Committee recommends that Citizenship and Immigration Canada, in consultation with provincial and territorial governments, expand eligibility to the Language Instruction for Newcomers to Canada (LINC) program to Canadian citizens who have immigrated to Canada, and to successful refugee claimants. The Committee also recommends that more support for child-minding services be made available to participants in the LINC program.**

**Recommendation 7:**

**The Committee recommends that the federal government explore and implement options that have been identified in past studies which would allow new immigrants to access financing to upgrade their skills, including in situations where their credentials are not recognized. This should be done in collaboration with provinces and territories where specific agreements exist, as well as other stakeholders.**

**Recommendation 8:**

**The Committee recommends that the Live-in Caregiver Program be reformed to ensure that the human rights of immigrant women workers are better protected and that the live-in requirements of the program become optional.**

**Recommendation 9:**

**The Committee recommends that additional funds be allocated to the Opportunities Fund for Persons with Disabilities.**

**Recommendation 10:**

**The Committee recommends that the federal government, in collaboration with the provincial and territorial governments, develop a national housing strategy and ensure that there is adequate, affordable, appropriate and accessible housing for women.**

**Recommendation 11:**

**The Committee recommends that the federal government support the efforts of the provinces and territories to implement or maintain a universal and high quality system of early learning and child care that is that is developmental, affordable and accessible.**

**Recommendation 12:**

**The Committee recommends that the Department of Human Resources and Social Development Canada improve the Compassionate Care Benefits under the Employment Insurance program, by increasing the maximum number of weeks and by amending the eligibility criteria to make the benefit more widely available to persons caring for sick or elderly relatives or friends.**

**Recommendation 13:**

**The Committee recommends that the federal government change the eligibility criteria under the *Employment Insurance Act* to increase access to benefits to persons in part-time or part-year work.**

**Recommendation 14:**

**The Committee recommends that the federal government extend eligibility for maternity and parental benefits by changing qualifying requirements to allow parents to reach back over the three-to five-year period prior to the birth of the child.**

**Recommendation 15:**

**The Committee recommends that the federal government amend the *Employment Insurance Act* to allow self-employed persons to opt into the special benefits programs under the Employment Insurance (EI) program, such as maternity and parental benefits and the Compassionate Care Benefit.**

**Recommendation 16:**

**The Committee recommends that the federal government increase the Guaranteed Income Supplement (GIS) so that total Old Age Security and Guaranteed Income Supplement provides an after tax income above the poverty line.**

**Recommendation 17:**

**The Committee recommends that the federal government develop a drop-out provision in the Canada Pension Plan, similar to the existing drop-out provision for childcare, for people who are caring for individuals with disabilities or the elderly.**

**Recommendation 18:**

**That the federal government develop options, in consultation with Canadians, on how the Canada Pension Plan could be amended to allow individuals to choose to increase their contributions to the maximum CPP amounts, or to participate in the CPP if they are currently outside the labour market.**

**Recommendation 19:**

**The Committee recommends that the CPP survivor benefits for seniors aged 65 or more be increased from up to 60% of the contributor's retirement pension to 70%.**

**Recommendation 20:**

**The Committee recommends that the federal government increase the number of countries with which it has social security agreements in order to provide pension coverage to a larger proportion of new immigrant Canadians.**



**Recommendation 21:**

**The Committee recommends that, in collaboration with the provinces and territories, the federal government develop a national poverty reduction strategy that incorporates gender based awareness with concrete targets and goals to address poverty and Aboriginal poverty in Canada.**



## APPENDIX A: LIST OF WITNESSES

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<b>Department of Social Development</b>	2006/06/08	7
Mitch Bloom, Director General, Seniors and Pensions Policy Secretariat		
Lenore Duff, Acting Director, Economic Security		
Sandra Harder, Acting Director, Families and Caregivers		
Nancy Lawand, Director General, CPP Disability Policy		
Susan Scotti, Assistant Deputy Minister, Social Development Sectors, Income Security Programs		
Deborah Tunis, Acting Assistant Deputy Minister, Social Policy		
Caroline Weber, Director General, Office for Disability Issues		
<b>National Advisory Council on Aging</b>	2006/06/13	8
Robert Dobie, Interim Chairperson, Division of Aging and Seniors		
<b>National Council of Welfare</b>		
John Anderson, Senior Researcher and Policy Advisor		
Cathy Oikawa, Senior Researcher and Policy Advisor		
Sheila Regehr, Director		
<b>Canadian Centre for Policy Alternatives</b>	2007/02/15	39
Monica Townson, Research Associate		
<b>Department of Human Resources and Social Development</b>		
Barbara Glover, Acting Director General, Labour Market Policy		
Virginia Poter, Director General, Economic Security and Policy		
<b>Statistics Canada</b>		
Colin Lindsay, Senior Analyst, Social and Aboriginal Statistics Division		
Sylvie Michaud, Director, Income Statistics		
Leroy Stone, Associate Director General, Unpaid Work Analysis		
<b>Native Women's Association of Canada</b>	2007/02/20	40
Beverley Jacobs, President		

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<b>Canadian Federation of Business and Professional Women's Clubs</b> Sue Calhoun, First Vice-President	2007/02/22	41
<b>Women Elders in Action</b> Joanne Blake, Member Alice West, Chair		
<b>Federal Superannuates National Association</b> Bernard Dussault, Senior Research and Communications Officer	2007/03/20	44
<b>As an Individual</b> Ruth Rose, Adjunct Professor of Economics, Université de Québec à Montréal.		
<b>Fédération des associations de familles monoparentales et recomposées du Québec</b> Lorraine Desjardins, Research and Communication Officer Sylvie Lévesque, Director General	2007/03/22	45
<b>Neighbourhood Link/Senior Link</b> Mary McGowan, Executive Director		
<b>Canada's Association for the Fifty-Plus</b> Daniel Braniff, Chairman, Georgian Bay Chapter	2007/03/27	46
<b>Canadian Activists for Pension Splitting</b> Ken Wilson, Vice-President		
<b>National Farmers Union</b> Karen Fyfe, National Women's Vice-President	2007/03/29	47
<b>National Organization of Immigrant and Visible Minority Women of Canada</b> Anuradha Bose, Executive Director and Project Manager		
<b>Ontario Council of Agencies Serving Immigrants</b> Lucya Spencer, Former President		
<b>As an Individual</b> Janet Fast, Co-Director, Research on Aging, Policies and Practice Research Program, Department of Human Ecology, University of Alberta	2007/04/19	49
<b>AWIC Community and Social Services</b> Sheila Konanur, Settlement Counsellor		
<b>National Alliance of Philippine Women in Canada</b> Cecilia Diocson, Executive Director	2007/04/19	49

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<b>As an Individual</b> Beverley Smith	2007/04/24	50
<b>Child Care Advocacy Association of Canada</b> Emily King, Senior Policy Analyst Monica Lysack, Executive Director		
<b>Women's Network Prince Edward Island</b> Michelle Harris-Genge, Co-Executive Director		
<b>Métis National Council</b> Melanie Omeniho, National Board Member, Women of the Métis Nation	2007/04/26	51
<b>Pauktuutit Inuit Women of Canada</b> Jennifer Dickson, Executive Director Ulrike Komaksiutiksak, Director of Programs		
<b>Campaign 2000</b> Jacquie Maund, Coordinator	2007/05/01	52
<b>As an Individual</b> Béatrice Chabannel	2007/05/03	53
<b>DisAbled Women's Network of Canada</b> Bonnie Brayton, National Executive Director Carmela Hutchison, President		
<b>SPHERE-Québec (Soutien à la personne handicapée en route vers l'emploi au Québec)</b> Nancy Moreau, Director General Lyne Vincent, Project Officer		
<b>Canadian Teachers' Federation</b> Noreen O'Haire, Director, Professional and Developmental Services John Staple, Deputy Secretary General	2007/05/08	54
<b>Registered Practical Nurses Association of Ontario</b> Sheri Oliver, Director, Strategic Nursing Initiatives		
<b>As an Individual</b> Diane Martz	2007/05/10	55
<b>Quebec Native Women's Association</b> Ellen Gabriel, President		
<b>Rural Women Take Action on Poverty Committee</b> Colleen Purdon, Coordinator		

<b>Organizations and Individuals</b>	<b>Date</b>	<b>Meeting</b>
<b>Department of Finance</b> Brenda Lundman, Director, Social Policy Division, Federal-Provincial Relations and Social Policy Branch Alexandra MacLean, Chief, Personal Income Tax Division, Tax Policy Branch	2007/05/15	56
<b>Department of Human Resources and Social Development</b> Barbara Glover, Director General, Labour Market Policy Virginia Potter, Director General, Economic Security and Policy		
<b>Certified General Accountants Association of Canada</b> Louise Nesterenko, Fellow Certified General Accountant Carole Presseault, Vice-President, Government and Regulatory Affairs	2007/05/17	57

# **APPENDIX B LIST OF BRIEFS**

## **Organizations and individuals**

**AWIC Community and Social Services**

**Campaign 2000**

**Canada's Association for the Fifty-Plus**

**Canadian Activists for Pension Splitting**

**Canadian Federation of Business and Professional Women's Clubs**

**Certified General Accountants Association of Canada**

**FADOQ Mouvement des Aînés du Québec**

**Fédération des aînées et aînés francophones du Canada**

**Fédération des associations de familles monoparentales et recomposées du Québec**

**Métis National Council**

**National Alliance of Philippine Women in Canada**

**Ontario Council of Agencies Serving Immigrants**

**Pauktuutit Inuit Women of Canada**

**Quebec Native Women's Association**

**Registered Practical Nurses Association of Ontario**

**Rose, Ruth**

**Smith, Beverley**

**SPHERE-Québec (Soutien à la personne handicapée en route vers l'emploi au Québec)**

**Women's Network Prince Edward Island**





## REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the Committee requests that the government table a comprehensive response to this report.

A copy of the relevant Minutes of Proceedings of the Standing Committee on the Status of Women ([Meetings Nos. 7, 8, 39, 40, 41, 44, 45, 46, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 59, 60 and 61](#)) is tabled.

Respectfully submitted,

Yasmin Ratansi, MP

Chair



## **DISSENTING OPINION CONSERVATIVE PARTY**

“Improving the Economic Security of Women: Time to Act.”

In May of 2006 the committee undertook a study on the Economic Security of Senior Women. The Conservative Members of the committee were captivated by the compelling testimony of a number of women and groups as to the need for an improvement in the conditions faced by many of the witnesses.

However, there remain a number of issues that are, in the opinion of the Conservative Members, outstanding and beyond the scope of the committee’s mandate. While we can agree in principle with some of the recommendations, there seems to be a standard misunderstanding by opposition members as to the role of the federal government. Many of the issues we heard testimony on fall outside the legislative authority of Parliament as laid out in Section 91 and Section 92 of the Constitution.

For example, the committee recommends the government play a leadership role in improving labour legislation to extend greater protection to non-standard workers. This is a provincial matter and as such is beyond the reasonable scope of federal jurisdiction.

In terms of childcare the main report calls on the government to implement a national system of childcare that is accessible and affordable. Transfer payments are made to the provinces for social services and this recommendation falls outside the jurisdiction of the federal government. Although, Conservative Members did wish to raise the fact that Canada’s New Government has worked to alleviate challenges faced by parents with the implementation of the new Child Tax Credit.

The report is also flawed in that a number of the recommendations touch on areas where the federal government is already taking an active role. For example, the committee recommended that additional funds be allocated to the *Opportunities Fund for Persons with Disabilities*. The government has taken action on this file, but opposition Members refused to acknowledge this.

On May 24<sup>th</sup>, 2007 the Conservative Member for South Shore – St. Margaret’s, announced \$49,783 to help provide employment opportunities for persons with disabilities in Nova Scotia. Brian Pallister, the Member of Parliament for Portage – Lisgar, announced \$33,208 to help provide supported employment opportunities for persons with disabilities. These are just a few examples of the new initiatives brought forward by the government to provide assistance in this area.

Conservative Members recognize the need for action to improve the economic security of senior women. Unfortunately some members of the opposition have chosen this report as a means to put forward a partisan agenda rather than concrete measures to benefit Canadian women.



## **DISSENTING OPINION NEW DEMOCRATIC PARTY**

The Standing Committee for the Status of Women heard interesting evidence from a variety of groups that provided important insight into the economic security of women. Witnesses provided important insight to the Committee regarding the problems faced by vulnerable groups of Canadian women. They also provided suggestions on how the government should address these problems.

The recommendations of the Committee failed to take much of the witness' testimony into account and they will not provide the economic protection these vulnerable groups of women need. Therefore, the NDP has chosen to write in dissent to the Committee's recommendations. More specific recommendations that suggest the federal government take concrete action are needed to provide Canadian women with the economic security they require.

The Committee heard evidence demonstrating the need for the federal government to implement the recommendations from the 2004 Pay Equity Task-force Report. These recommendations are conspicuously absent from the Committee's study. Evidence presented to the Committee by Statistics Canada demonstrated that the wage disparity between women and men who work full time "seems to be stuck at 70% and there's been very little change in that over the course of the last decade."

The Study points out that women's participation in the labour force often suffers because of responsibilities like childcare and care-giving for dependent relatives. These difficulties are often magnified in lone-parent families. Women should not have to suffer economic hardship because their family life may sometimes keep them away from paid work. Likewise, the need to earn a living should not keep women from other important duties, like spending quality time with family. The government should strike a taskforce to study how Canadians can achieve better work-life balance.

Much of the work done by women is unpaid; nevertheless this work is very important. Unpaid work such as child rearing provides significant value to society. However, because this work can take up a great deal of time without compensation, it may leave some women in a position of economic insecurity. Therefore, the Committee should have recommended that the federal government study options to remunerate Canadians for their unpaid labour.

Education and literacy are important factors in attaining higher-paying jobs and economic security, government funding in support of these objectives is necessary. The Committee should recommend that the federal government reinstate funding to literacy programs, including First Nations languages (in consultation with First Nations organizations). Similarly, the Committee should recommend that the federal government improve the economic opportunities of Canadians by providing quality affordable post-secondary education and training by increasing funding for post-secondary education,

lowering tuition fees, and launching a national training strategy to expand vocational training opportunities for Canadians.

The recommendations of the Committee do not go far enough to protect the economic security of women in the most vulnerable groups. The Committee should have made additional recommendations that would have provided more protection to rural women, aboriginal women, women with disabilities and minorities. The federal government should:

- ensure that farm women have their own private pension plan;
- expand EI coverage to persons with disabilities;
- provide rural, disabled women and low income women better access to transportation for work, education and child-minding services;
- facilitate the recognition of foreign credentials with various professional bodies and provincial accreditation offices so there is a uniform recognition process throughout the country and develop reciprocity agreements with other countries;
- fund awareness education and sensitivity training in the public and private sector to reduce discrimination against persons with disabilities, First Nations and racialized women.

The cost of drugs and health care services can be a drain on the income of all Canadians, but is of particular concern for the economic security of women in vulnerable groups. The federal government should, in consultation with the provinces and territories, develop and implement a national pharmaceutical plan, provide free dental, vision and drug care to seniors and create 50,000 long-term care spaces over five years and expand coverage of non-for-profit professional home care as another alternative to hospitalization.

The NDP also calls on the government to rectify decades of under funding of seniors' programs by supporting the Seniors Charter that enshrines the right of every senior in Canada to:

- income security, through protected pensions and indexed public income support that provides a reasonable state of economic welfare;
- secure accessible, and affordable housing;
- wellness, through health promotion and preventative care;
- secure, public, accessible, universal health care including primary care, homecare, palliative and geriatric care, and free pharma and dental care;
- self-development, through lifelong access to affordable recreation, education and training;
- government services, through timely access to all federal government services and programs, including family re-unification.

The federal government must take a more active role in ensuring that women have the resources to make informed financial decisions. Therefore, the Committee should recommend that the federal government develop a campaign to educate women on the impact of motherhood, caregiving and other unpaid labour on their financial future. The

government should also better advertise the programs and services available to women that may affect their financial security.

Private Member's Bill C-303 was developed in consultation with organizations across the country, including Quebec. The NDP recommends that the government support and bring into force Bill C-303 to provide stable funding for a national early learning and childcare program that is safe, universal, accessible and affordable.

The Committee's recommendations for EI reform are a step in the right direction, but the NDP feels that further recommendations are needed. The NDP believes that the two week waiting period for EI should be eliminated, the maximum yearly insurable earnings should be increased to \$51,748, the eligibility criteria lowered to 360 hours, the benefit increased to 70% of regular earnings and that maternity and parental leave become a distinct benefit under EI.

In addition the NDP recommends that the Federal Government should:

- appoint an ombudsperson at HRDSC and CRA for women who are having difficulty accessing social assistance and the child tax credit;
- increase funding to Status of Women Canada to re-open the 12 closed regional offices;
- allow the Women's Program at Status of Women Canada to fund research, advocacy and lobbying activities that will increase women's equality;
- have Status of Women Canada develop a national initiative that would address the economic security of women and fund independent research to monitor the economic security of women;
- collect specific data on the Inuit population and Métis population through Statistics Canada;
- ensure that when businesses go bankrupt, amounts owing to workers are paid first and that workers are able to proceed with claims for outstanding wages against the directors of bankrupt corporations;
- increase the retroactivity period for CPP from 11 to 60 months;
- increase the Child Tax benefit by \$1000 per child above the currently scheduled increases;
- fund programs to prevent women from being forced to live in violent situations because of their economic circumstances;
- address Women's political under-representation;
- reinstate funding to the Court Challenges program and that women's access to legal aid be increased through an awareness campaign and that legal aid is adequately funded;
- introduce a comprehensive Canadians with Disabilities Act, which would work with other income and high employment strategies to produce the sea change required to enhance the opportunities of persons with disabilities.

