



House of Commons  
CANADA

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

---

FEWO • NUMBER 033 • 3rd SESSION • 40th PARLIAMENT

---

**EVIDENCE**

**Thursday, October 28, 2010**

—  
**Chair**

**The Honourable Hedy Fry**



## Standing Committee on the Status of Women

Thursday, October 28, 2010

•(0850)

[English]

**The Vice-Chair (Mrs. Cathy McLeod (Kamloops—Thompson—Cariboo, CPC)):** I call the meeting to order.

Pursuant to the order of reference of Wednesday, May 5, 2010, we are considering Bill C-471, an act respecting the implementation of the recommendations of the pay equity task force and amending another act in consequence.

Today we have a number of witnesses. We have, from the Equal Pay Coalition of Ontario, Mary Cornish; from the Communications, Energy and Paperworkers Union of Canada, Gisèle Pageau; from the Federally Regulated Employers - Transportation and Communications, FETCO, John Farrell and Barb Gagné; from Opus Mundi Canada, Paul Durber, senior consultant; and from Statistics Canada, Marie Drolet and Sylvie Michaud.

You'll have five minutes for your presentations, and then we'll be going into questions and answers. I believe most of you have been here before, so you're familiar with our routine.

We will start with the Equal Pay Coalition of Ontario.

Thank you.

**Ms. Mary Cornish (Chair, Equal Pay Coalition of Ontario):** Thank you very much for inviting me.

I am also, in my capacity, a human rights expert. I want to focus in my short time on my presentation, which I think will be translated, as it is currently just in English.

Pay equity is an international standard that is actually one of the oldest labour and human rights standards in the world. Increasingly these standards, which Canada has ratified, require proactive implementation by employers, and they require governments to take actions to ensure that this human right is protected. My research report for the task force went through how these domestic and international obligations require that kind of proactive protection.

The task force's recommendations, which this bill is asking to be implemented, in fact said that the Canadian Human Rights Act provisions—which at that point covered both the public and private sectors—needed to be amended to reflect that kind of proactive approach and to ensure there was an expansion of coverage to ensure that all kinds of different employees were covered, particularly because of the nature of women's precarious work.

So the flow of the task force recommendations was completely consistent with a whole number of different reports internationally

dealing both with the important role that the pay gap played internationally in eroding economic development and women's equality and with the importance of governments taking action.

What we have here, in contrast, is that instead of action being taken to implement the report—which was based on very extensive consultations—we now have a situation where the private sector federally is still covered by an ineffective CHRA process, and we have the federal public service actually in somewhat of a limbo at the moment, because the PSECA, the Public Sector Equitable Compensation Act, is not yet in effect, but the rights of public servants under the Canadian Human Rights Act have been taken away.

That is the situation we currently face.

To give you an idea of some of the contrasts between the recommendation of the task force and the requirements under PSECA, the recommendations of the task force acknowledged that pay equity was a fundamental human right and that because of that you then have to ensure that it can be implemented and ensure an accessible process. The PSECA provisions in fact, say the opposite. They don't ensure that it's a fundamental human right, and in fact they remove that underpinning of the human rights notion from the Human Rights Act and place pay equity essentially, first of all, in a budget-restraint bill—which makes it clear that its main direction is in fact reducing budgets—and secondly, put it in a labour relations statute, where it's left to collective bargaining. That was completely inconsistent both with what the recommendation of the task force was, which is that it should not be left to collective bargaining, and also inconsistent with international standards that require access to a human rights mechanism.

Secondly, the task force, as I say, talked about expanding the notions of coverage, yet PSECA in fact erodes substantive pay equity entitlements. It actually reduces the pool of employees who would have access to the human rights law by actually redefining what women's work is, what kinds of establishments would be covered, and also and most importantly, by introducing the concept of the market and saying that market considerations would now be considered in how we value women's work, when in fact pay equity laws were there to address the market practices that had resulted in the systemic discrimination. So those are the substantive pay equity entitlements.

The second part of it was that the task force recommendations were attempting to set up a more effective process of access, to make it more accessible, to have a specialized commission and specialized enforcement machinery. Instead, we're now put off into this collective bargaining machinery.

The third part of it is that the pay equity task force talked about trying to ensure effective remedial protections. The PSECA statute in fact limits remedial protections by limiting retroactivity that can be paid by putting it into the collective bargaining scheme.

In summary, we would say that in terms of moving forward, the Pay Equity Task Force Recommendations Act is consistent with Canada's international obligations and with its domestic obligations.

Thank you.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you so much.

Next we have Communications, Energy and Paperworkers' Gisèle Pageau.

**Ms. Gisèle Pageau (Human Rights Director, Communications, Energy and Paperworkers Union of Canada):** Good morning, everybody.

I've prepared a statement so that I can stay within the five minutes. I think I'm three seconds over, so I hope you'll indulge me.

The CEP appreciates the opportunity to appear before the standing committee and to comment on proposed Bill C-471. The CEP is one of Canada's largest private sector unions, representing about 120,000 workers in a wide range of occupations across Canada, including both the private and the broader public sectors. The CEP has a longstanding record of defending the human rights of its members, and we have a strong interest in pay equity matters. We were the first union to undertake joint union and management pay equity initiatives in several of Canada's private and publicly owned telephone companies. Our telephone operators lived through a 15-year nightmare as a result of inadequate legislation. The CEP fought hard to bring pay equity to 4,700 women, 18% of whom died before ever seeing any compensation.

We support Bill C-471, which will see the abolishment of the Public Sector Equitable Compensation Act, the long overdue implementation of the 2004 pay equity task force recommendations, and finally will ensure that pay equity remains a human right for all women.

Sex- and gender-based pay inequity is a human rights issue. It is the result of systemic discrimination and societal perception of the value of work traditionally performed by women. Consequently, to consider pay equity as a labour issue to be dealt with at the bargaining table is not only detrimental, it is an inaccurate characterization of the nature of pay inequity. It is imperative that pay equity remain a human rights issue and not form part of collective bargaining schemes.

There are a number of reasons why the characterization of pay equity as simply an aspect of labour or employment law should be avoided. Firstly, to characterize it as such undermines Canada's international commitment to human rights, including equal pay for work of equal value. In a labour context, human rights are paramount, and parties cannot legally contract out of human rights

obligations. Forcing pay equity into collective bargaining processes and out of the process of human rights would be to risk the bargaining away or erosion of whatever pay equity gains have been made for women. The rights of disadvantaged groups and minorities should never be subject to the whims of the majority.

Secondly, the inclusion of pay equity as an issue to be negotiated through collective bargaining ignores the systemic and encompassing nature of pay inequity. The systemic discrimination is reflected not just in the organization of workplaces but also in the structure and the strength of the bargaining units and unions. Bargaining units that are predominantly female may invite the replication of patterns and perceptions, or gender segregation and the undervaluing of work. This lends itself to an inherent though sometimes unconscious power imbalance at the bargaining table, thereby undermining the principles that pay equity attempts to promote.

We advocate a proactive, comprehensive, and collaborative model of pay equity legislation for all workplaces. While the CEP believes that individuals should have a mechanism available to them whereby complaints can be initiated, we acknowledge that the complaint-based system alone cannot ensure pay equity compliance. This would include a positive duty on employers to review organizational wage structures and remedy gender-biased pay equity practices. Audits must be conducted thoroughly and consistently to ensure a seamless continuity of pay equity throughout the federal sphere. In addition, employers must be provided with realistic and tangible timelines for the implementation of equitable wage structures and payouts for past discriminatory practices.

It is the view of the CEP that pay equity is not a one-time remedy, but rather pay equity in the workplace must be examined frequently. It should be said that union participation cannot be equated with union responsibility from a compensation perspective. Employers pay wages and are solely responsible for non-discriminatory compensation practices. The inherent power imbalance within the employer-union relationship and the fact that ultimately employers hold the purse strings precludes unions from liability for pay equity.

• (0855)

As you are all aware, the pay equity task force has exhaustively studied this issue. Almost 200 people gave oral presentations. There were 60 written submissions from groups across the country. There were five round-table discussions with multi-stakeholder groups. The task force looked at proactive pay equity legislation in a number of jurisdictions in Canada to identify best practices.

The CEP supports the task force recommendations. This government does not need to reinvent the wheel on this issue. It's time to put it to rest once and for all and do what's right and long overdue for the women of Canada.

Thank you.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

Mr. Farrell, are you doing the presentation for FETCO?

• (0900)

**Mr. John Farrell (Executive Director, Federally Regulated Employers - Transportation and Communications (FETCO)):** Yes, I am, thank you.

**The Vice-Chair (Mrs. Cathy McLeod):** Okay. Thank you. You have five minutes.

**Mr. John Farrell:** Thank you, Madam Chair.

My name is John Farrell. I'm the executive director of Federally Regulated Employers - Transportation and Communications. Joining me today as an adviser on pay equity matters is Ms. Barbara Gagné, manager of labour relations and classification at Nav Canada, a FETCO member.

I have provided the clerk with a full report of our point of view. It will be translated and will be provided to the committee. Given time constraints, I'll confine my comments basically to those key matters that we believe are important to federally regulated employers with respect to Bill C-471.

First of all, FETCO unequivocally supports pay equity. The vast majority of FETCO members are federal contractors and already comply with section 11 of the Canadian Human Rights Act and with other employment legislation, including the Canada Labour Code and the Employment Equity Act. The challenge is to devise and execute a fair and equitable plan that will achieve pay equity to the extent possible in an appropriate period of time.

FETCO appeared as a witness before this standing committee with respect to the Public Sector Equitable Compensation Act. We gave evidence that we believed certain aspects of this act were beneficial, primarily in that it requires both employers and unions to share the responsibility for equitable compensation. It also proposed, in our view, more efficient, effective, and equitable problem-solving and dispute resolution procedures.

With respect to the recommendations of the pay equity task force, I wish to reiterate FETCO's point of view, which was expressed in advance of the pay equity task force in 2004 and when we made comments on the report of the pay equity task force at that time.

First and foremost, FETCO supports a proactive problem-solving approach to pay equity. However, pay equity has an integral part in the determination of wages and other employment compensation, in conjunction with the many other factors that influence wages and compensation in a market-driven economy. The skill level, effort, responsibility, and working conditions required for a given career path affect wages. So do the supply of persons available and the demand for employees in a given labour market. The state of the company or the organization affects pay equity, and the state of the industry in which the company operates affects pay. The level of unionization of the workforce and the relative strength of the union in its ability to bargain for the bargaining unit and to negotiate wage and benefit increases also affect pay practices. The priorities of the workforce in terms of trade-offs involving wages, benefits, working conditions, work-life balance, and the duration of collective agreements affect pay practices.

Therefore, a full understanding of all the aspects that affect compensation is required in order to develop a plan and redress any inequities that may exist. In addition to possessing an understanding

of human rights matters, persons assisting in the resolution of pay equity matters and the adjudication of pay equity disputes must also understand wage and benefit compensation, labour and employee relations, and business economics.

Pay equity legislation must be simultaneously considered in conjunction with the Canada Labour Code. Both employers and unions must jointly be held accountable for achieving pay equity. This must be a bilateral responsibility, not a unilateral employer responsibility, as is currently the case. This is one of our major points. In a unionized environment, it is the employer and the union acting together that make a bilateral agreement about what compensation is to be paid to employees. In fact, the union plays a major role in the distribution of the total compensation package. Both pay equity and collective bargaining are over the same activity: the level, structure, nature, and amount of compensation. In a unionized environment, these two activities must be integrated.

The current process allows unions to negotiate an agreement and then file a complaint under section 11 of the Human Rights Act and claim it has been violated. The end result is additional wage adjustments. In effect, the unions are using pay equity as a means to double-dip. This is one of the principal reasons that pay equity complaints have been protracted and contentious. This double-dipping must stop.

**The Vice-Chair (Mrs. Cathy McLeod):** Could you wrap it up, please? If you could start to wrap it up, that would be great.

**Mr. John Farrell:** Yes.

Another very important point in the ability to manage pay equity is the determination of the term "establishment" or "pay equity unit". We believe that the most appropriate unit for determining pay equity is the bargaining unit, as determined in the certification under the Canada Labour Code.

Employers of course do not unilaterally set wages, benefits, and working conditions for their unionized employees. Thus each collective agreement constitutes an appropriate pay equity bargaining unit. FETCO believes that this is how it should remain.

• (0905)

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

Next we have Mr. Durber, from Opus Mundi Canada. Go ahead. You have five minutes.

**Mr. Paul Durber (Senior Consultant, Opus Mundi Canada):** Thank you, Madam Chair.

Thank you for the opportunity to come to speak with you this morning.

I want to essentially provide views on the shortcomings of both current pieces of legislation, that is, the Public Sector Equitable Compensation Act as well as the Canadian Human Rights Act, neither of which I believe actually achieve pay equity, in spite of what Mary Cornish has said to you about our international obligations and, one might add, the charter.

It is my view that the PSECA, despite its title—in fact somewhat Orwellian—and its preamble espousing the principle of equal pay for equal work in fact eliminates pay equity from the public sector, through such provisions as not enabling comparison between the pay and work of men and the pay and work of women, as I was able to oversee as director of pay equity at the Canadian Human Rights Commission.

The CHRA, in contrast, is complaint-driven, and that does not give reasonable effect to the principle of pay equity across the private sector. As people have noted, there are really two standards now for pay equity: one for the public sector, which I believe is non-existent; and the other for the private sector, which is the CHRA.

The existence of these two legislative frameworks in fact gives different rights to different groups of people, which in itself is inequitable. The examples of pay equity legislation in Ontario and Quebec show that a single proactive statute is workable, in much the way, as you have just heard, as do some of the principles espoused by FETCO. It enables consistent treatment of women across a whole jurisdiction, which is the federal jurisdiction.

My own advice to this committee would be that the PSECA be repealed and that a single proactive pay equity statute, such as recommended by the pay equity task force, be put in place.

I have a number of problems, which I won't go into a great deal of detail on, in relation to the PSECA. I mentioned that pay equity comparisons are not enabled by that piece of legislation. If you look at it, you will find a definition of “female predominant”, which is pay equity speak for identifying where women work. If you had a pay equity piece of legislation you would find something called “male predominant”. There is no such definition. The principle then of pay equity is in fact abandoned.

Despite the title, despite the preamble, despite the legislation saying it believes in the principle of equal pay for work of equal value, I don't think that it's an effective piece of legislation to that end.

A less fundamental flaw in the PSECA is the shift in the definition of “female predominance”. Under the Canadian Human Rights Act, we have a sliding scale when you try to decide the percentage needed to be female or male predominant: that's 55%, 60%, and 70%. The new threshold is 70% under the PSECA, which is obviously higher for a number of groups. As a result, in the public service, for example, some 42,000 employees in female-predominant groups lose any rights to pay equity; that is, they're no longer female predominant by virtue of that higher threshold. So there are some issues there, particularly since most of those groups you will find, in the private sector and in the labour market as a whole, remain female-predominant occupations.

There are a whole lot of other problems with the PSECA, such as lack of timelines, problems in actually bringing the parties to an actual agreement, which I think people around this table would probably agree with.

● (0910)

The problems with the CHRA are well documented by the pay equity task force. I won't go into them in any detail, except to echo what we heard from FETCO, which is that the complaints-driven

legislation is not effective. It doesn't establish a level playing field, and I don't believe this committee should continue to recommend that section 11 be the predominant legislation for the private sector.

So in all, we lack effective pay equity legislation.

Thank you.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

We will now go to Statistics Canada and Marie Drolet.

Are you going to be doing the presentation, or...?

**A voice:** Yes.

[*Translation*]

**Mrs. Sylvie Michaud (Director General, Education, Labour and Income Statistics Branch, Statistics Canada):** I would like to begin by thanking the committee for inviting us to make a presentation on the current situation.

Statistics Canada has done research on the gender pay differential. You should all have received a deck which will be used for the discussion.

In order to simplify the explanation, we will be presenting only six slides, but we also have additional ones. So, if you have any questions about the material presented or the additional slides, we will be very pleased to answer them.

[*English*]

Please note that Statistics Canada does not take a position on the proposed amendment to the bill. We are here to present some of the different lenses that can be used to look at this issue of pay differentials between genders.

Marie.

**Ms. Marie Drolet (Research Economist, Income Statistics Division, Statistics Canada):** Thank you, Sylvie.

The fact that men continue to earn more than women is not new. My goal here is not to provide a single, definitive answer to what the pay gap is, but rather to present the different measures that are commonly used to describe pay differentials and to show that measurement and methodology matter.

Turning to the first slide, the most commonly cited statistic on the gender pay gap is based on annual earnings. Here, women working full-year, full-time earn 72¢ for every dollar earned by men. This is recent data from 2008 that is publicly available on CANSIM.

An alternative measure is based on hourly wages. Here we see that women on average earn 84¢ for every dollar earned by men.

Why the large difference in the ratios? Well, a caveat of the earnings ratio is that it does not accurately account for differences in work volume. In 2007 full-time men worked on average four hours longer than full-time women. So you can have a gap in earnings simply because men and women worked a different number of hours.

Another caveat of the earnings ratio is that it excludes a significant portion of the workforce. Roughly 65% of women work full-year, full-time, compared with 75% of men.

The ratio based on hourly wages tends to overcome these two problems and has an added advantage of being job-specific, so it makes comparisons between men and women in their jobs much easier to do.

On the next slide we see the trends in the compensation rate ratio. The earnings ratio is a consistent time series starting in 1976, and the wage ratio provides a consistent time series beginning in 1997. Between 1976 and 1992 we see that the earnings ratio increased by about 11%, and after 1992 the earnings ratio is roughly constant.

This differs somewhat from the wage series. Beginning in 1997, we see that the wage ratio increased by 3.2% between 1997 and 2009.

Let us turn to the next slide. What are the factors that explain the gap? In describing wage differences, researchers tend to look at the attributes men and women bring to the labour market. This approach—that is, assuming that wages are tied to the individual worker—is really due to the type of data that's available to researchers; that is, large-scale household survey data. That's what has dominated the empirical literature.

Here we look at differences in work experience. We find that men on average have four years' longer work experience than women, and this difference in work experience accounts for differences in work interruptions, restrictions on number of hours worked per week or number of weeks worked per year. The fact that wages increase with experience, coupled with the fact that men and women have a different amount of work experience, explains about 11% of the wage gap.

It's also a well-known fact that both men and women have been increasing their educational attainment in recent years; however, they still choose traditional disciplines. Wages differ by field of study, and men and women are in different disciplines; this accounts for about 4% of the wage gap.

The next bullet on this slide looks at men and women belonging to different types of workplaces. This is an analysis that comes from a linked employee-employer data set. Here we learn that characteristics of the workplace explain more of the gender pay gap than the characteristics of the worker.

So when we think about the wage ratio and we adjust for things that we think matter, such as experience, education, and where men and women work, we see that on average women earn a little more than 90¢ for every dollar earned by men.

• (0915)

**The Vice-Chair (Mrs. Cathy McLeod):** This will be the time to wrap it up fairly quickly, in order to be fair to everyone.

**Ms. Marie Drolet:** Okay.

Despite the long list of factors that we include in these studies, a substantial portion of the pay gap cannot be explained by these factors. There are numerous factors that we can't account for that could explain these pay differentials.

I'll just turn to the last slide.

My goal here was to highlight the fact that the gender wage inequality is complex—it requires analysis from a number of

different perspectives—and to show you that measurement does matter. We went from an earnings ratio of 72¢ for every dollar earned by men to one based on a wage ratio that is 80¢ and then to an adjusted ratio that is closer to 90¢.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

I'd like to thank all the witnesses. I know it's hard to put a very complicated subject into five minutes, but I'm sure that with questions we'll get to elaborate much more on all the presentations.

We're going to start with a seven-minute round for both questions and answers.

Ms. Neville is first, from the Liberals.

**Hon. Anita Neville (Winnipeg South Centre, Lib.):** Thank you very much, Ms. McLeod.

And thank you to all of you for coming out. Some of you have been here before, and we appreciate your coming back.

My first question is to Ms. Cornish.

You made reference to international standards. I wonder if you could elaborate on the international obligations and requirements.

**Ms. Mary Cornish:** Certainly.

When the UN was started way back.... There's a treaty of nations back in 1917 that actually referred to equal pay at that point. That's why we say it's one of the first standards.

The ILO Convention 100, which Canada ratified in 1972, is the main “equal pay for work of equal value” standard. That standard is also part of what's called the “core labour standards”, which world governments and the UN have all said are the basic standards that need to be implemented.

In addition, the UN Covenant on Economic, Social and Cultural Rights also includes equal pay for work of equal value as one of the main contexts of that set of economic, social, and cultural rights.

The Beijing Declaration of the UN World Conference on Women, which is updated every five and ten years by world governments, also includes equal pay for work of equal value.

**Hon. Anita Neville:** Thank you.

We've heard a lot about proactive legislation. The government says that PSECA is proactive legislation. We're saying it's not proactive.

I wonder how you would define “proactive pay equity”. I would ask Ms. Cornish and anybody else who wants to answer that.

**Ms. Mary Cornish:** “Proactive”, in terms of the obligations, has been a requirement first of all that you implement equal pay for work of equal value, and we say the PSECA doesn't do that. But most importantly, what it does is say that it is a requirement for employers to incorporate within their practices and have plans for. They don't wait for complaints, which the old CHRA system does, but have to promptly move to establish a proactive planning process that identifies the discrimination that exists in the workplace and sort out how it will be eliminated.

That proactive part of it is in fact having a plan and having specific timelines in which you eliminate the gap. We would say that PSECA doesn't do that.

**Hon. Anita Neville:** Thank you.

**Mr. John Farrell:** I could comment, if you wish.

**Hon. Anita Neville:** Go ahead.

• (0920)

**Mr. John Farrell:** Employers don't disagree with a proactive approach; in fact, we support it. In a nutshell, employers believe it's important to identify gaps where they exist, identify the reasons for the gaps, and develop a plan to close the gap. Understanding why the gap exists is most important, and also enlisting, in a unionized environment, the assistance of the union to work with the employer to achieve agreements and address issues that will close the gap.

We cannot set wages in collective bargaining unilaterally. We are compelled to set wages and benefits in conjunction with the unions. They have to share with us the responsibility to understand what needs to be accomplished and work with us to achieve it. This is really one of the main points that we wish to make to this—

**Hon. Anita Neville:** Then what I'm hearing from you is that you are very strongly endorsing pay equity as part of the bargaining process rather than as a human right.

**Mr. John Farrell:** Pay equity is a human right and pay equity is also part of the bargaining process. We can't change the labour laws that exist in this country. We have to operate within the confines of those laws. An employer cannot change the terms and working conditions of unionized employees without the involvement of the union, without fair collective bargaining, and without the give and take that is necessary to find solid solutions to complex problems.

Pay is a very complex problem. Pay equity is certainly a complex problem to solve, but it's all part and parcel of a very difficult process of setting wages and benefits and compensation in the workplace, so we have to work to solve the pay equity pay gap and at the same time manage our businesses in accordance with compensation arrangements that make sense.

**Hon. Anita Neville:** Thank you.

I want to hear from Ms. Pageau, but what I am hearing from you is it is a human right that can be bargained.

Ms. Pageau.

**Ms. Gisèle Pageau:** I totally disagree that pay equity, as a human right, can be bargained. You cannot bargain away a human rights issue. It's fundamentally accepted that you can't do that. Unions do not control the budgets of the employers. They hold the purse strings.

If you want to see the success of pay equity with proactive legislation, you should look at the Quebec model. Their pay equity is about 11 or 12 years old, and they just finished a study, an audit, about a year ago of their pay equity throughout the province. It was very interesting to see some of the results. Of the employers, 82% said they wouldn't do pay equity unless they were legislated to do it, but 100% of the employers in Quebec said they did not close their doors because of pay equity. There was a collaboration between the

unions and the employers and that model worked really well because it was a proactive, legislated model.

**Hon. Anita Neville:** Do I have time? I have another question.

**The Vice-Chair (Mrs. Cathy McLeod):** There are 30 seconds left.

**Hon. Anita Neville:** Thank you.

**Mr. Paul Durber:** Thank you.

Very quickly, one of the features of most proactive legislation is that it is legislation separate from normal collective bargaining, and in my experience it is extremely positive to get people around the table talking about the common goal of equity. Even though there is some conflict, there is not the same dynamic at all as there is in collective bargaining. It's a very positive exercise.

**Hon. Anita Neville:** Thank you.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

Madame Demers.

[Translation]

**Ms. Nicole Demers (Laval, BQ):** Thank you, Madam Chair.

Thank you very much for appearing today. My first question is addressed to you, Ms. Michaud. I would first like to express our gratitude for all the work you do at Statistics Canada.

Why are the data you have presented so old? You presented data going back to 1997. For one thing, it seems to me that the situation, as well as the data relating to women's education have changed considerably. So, I am not sure that these data are accurate, compared to the image we have of women in the labour market. Things may have evolved over the last 13 years. The data we have on educational attainment date back to 1997, which makes them very old.

Ms. Pageau, I would like to know whether you are concerned about possible repercussions if we are not able to pass Bill C-471 fairly quickly. Do you think there will be consequences for public sector employees if, for some reason, the House were to be prorogued or Parliament were to be dissolved before we were able to pass Bill C-471 and if, unfortunately, Bill C-9, which has been passed, were to go into effect in January, as planned?

I would like to hear first from Ms. Michaud, and then, Ms. Pageau.

• (0925)

**Mrs. Sylvie Michaud:** Thank you.

Not all the data date back to 1997. If you look at the first slides on the trends in the various compensation ratios, you will see that the data go up to 2008. When we're explaining certain sophisticated models based on the effect of a number of factors, the data do in fact go back to 1997. However, we have a study that should be released in December; it is not completed yet. When we have more up-to-date results, we will be very pleased to forward them to you.

**Ms. Nicole Demers:** Thank you very much.

Ms. Pageau.

**Ms. Gisèle Pageau:** Thank you.

As far as I'm concerned, the consequences are quite clear. How many years now have we been waiting for action on pay equity? If this falls through in the next few months, the women of Canada at the federal level will not have pay equity. There will be two systems of pay equity for two different groups of people, which means that you will be removing pay equity as a human right. I cannot imagine anything worse. So, the consequences are huge. At the federal level, women, as you know, don't have the means to defend themselves, because their unions will be punished if they try to support a complaint. But when it comes time to pay wages, the union is on an equal footing with the employer. I simply can't understand the reasons for that. As I said earlier, the unions are not the ones that control the budgets or manage these companies; therefore, we have to separate negotiations on pay equity—given that it is a human right—from normal negotiations, which are ongoing.

**Ms. Nicole Demers:** Why do you think that some employers are still confusing equal pay with pay equity?

**Ms. Gisèle Pageau:** Paul can answer that question.

**Ms. Nicole Demers:** Mr. Durber.

**Mr. Paul Durber:** Thank you.

The equal pay principle is far simpler: you simply compare almost identical work. However, when it comes to pay equity, the comparison is made based on the value of the work done. So, it's a lot more complicated and it means that you are comparing all the work done by women, rather than simply considering the same kind of simple tasks—for example, office cleaning and another very comparable task. So, it's much broader.

• (0930)

**Ms. Nicole Demers:** How can the Treasury Board possibly believe that this new legislation will replace a complaints-based system with a proactive process, and that the federal system will not be like the one in effect in many provinces that require a proactive approach? Ms. Laurendeau told us that this is actually a practice supported by most of the experts in this area. How is it possible that the government, through Ms. Laurendeau, could possibly believe that?

[English]

**The Vice-Chair (Mrs. Cathy McLeod):** We have time for a very short answer.

[Translation]

**Mr. Paul Durber:** I will be very brief. At this point in time, the federal government cannot implement pay equity under current laws. It's impossible.

[English]

**The Vice-Chair (Mrs. Cathy McLeod):** Okay, we'll go on to Ms. Brown, please.

**Ms. Lois Brown (Newmarket—Aurora, CPC):** Thank you, Madam Chair.

I have a lot of questions. I'm not likely to get them all in, in seven minutes.

I want to first of all address a question to Statistics Canada. We talked about the factors explaining the gap in wages. I'm wondering if this is going to change exponentially as we see more and more

women going into higher-paying professions, such as technology, medical, any of those.

**Ms. Marie Drolet:** I'm not sure if it will change exponentially, but we do have some evidence that the wage gap is narrowing. We need controls for occupation and industry, but the work experience is important too.

**Ms. Lois Brown:** I ask specifically because we know that more and more women are going into medical school, for instance. More than 50% of the registrants in our medical schools in Canada are now female, so that wage gap that we have traditionally seen is going to change very quickly.

If I could use an example, if a young female lawyer is working in an accounting office and a male accountant is working in a legal office, the same wages will not be paid to either of those people who are not working in the discipline, because that's not the core business. If it's a lawyer working in an accounting office, the core business is accounting, and they're going after accounting clients. They need legal advice. In the same way, if you have an accountant working in a legal office, that person is not likely to be making the same wage as somebody working in an accounting office, because the law office is going after legal work, even though they need accounting services.

Do you see what I'm saying here? Okay. Thank you.

I want to move to Mr. Farrell.

One of the things I've heard here today is that pay equity is a human right, but what I'm also hearing is that as a human right, it's only to be addressed if someone complains. I would suggest that the safety of my person is a human right, but it is not my right only when I complain if somebody has assaulted me. Would you agree with that?

**Mr. John Farrell:** I'm not really sure I understand the context of your question.

**Ms. Lois Brown:** I'm just trying to establish that pay equity is a human right.

What we heard on Tuesday from one of our witnesses was that they were going to use the economic downturn to drive up wages for women, which I'm not sure is beneficial in a market-driven economy. Could you talk about what you're hearing from your association and your group of employers on PSECA and on how this is going to affect the larger context of a market-driven economy?

**Mr. John Farrell:** Let me address a couple of issues.

I hear all the time in these discussions that you cannot bargain away human rights. First of all, we employers understand and believe that pay equity is a fundamental human right, and what we're trying to sort out is the appropriate way to get there, the appropriate way to solve the wage gap in the environment in which we're required to operate.

It's not a perfect environment. It's a difficult environment, so what we really need to do is find a way to properly problem-solve the pay equity issue. We're not disagreeing it's a human right and we're not disagreeing that the Human Rights Commission and the Human Rights Act have a very important role to play, but we're saying in particular that one of the things that prevents us from getting from where we are today to closing the wage gap is failing to recognize that we have to work on these issues together with our unions and with our employees. You just can't simply continue to bargain as usual and not have both sides at the bargaining table to find a way to work together to close the gap.

Compromises are going to have to be made. For example, if you have a fixed budget to deal with, you might have to slow the rate of increase for male-dominated jobs and accelerate the rate of increase for female-dominated jobs in areas where a gap exists, but both parties have to agree to that. If the unions say they're not prepared to find a way to deal with this budget that they must deal with in realistic terms, and if they're not prepared to understand the market conditions and the factors that go into pay—if all they're saying is that it's business as usual and that closing the gap, Mr. Employer, is your problem—then we're never going to solve the problem.

We don't disagree with proactive employment equity, but what we need to establish and what we want to find is an appropriate way to work with our unions on an ongoing basis—not just in collective bargaining—in a problem-solving way that will get us from where we are today to closing the gap in a meaningful way that makes sense in a market-driven economy.

• (0935)

**Ms. Lois Brown:** Do I have a bit of time?

**The Vice-Chair (Mrs. Cathy McLeod):** Yes.

**Ms. Lois Brown:** When we hear, Ms. Pageau, that it took Bell 15 years, and you said that some of the women never got compensation because they passed away before they ever were able to see that, that's an unfair system, is it not?

**Ms. Gisèle Pageau:** Fifteen years...?

**Ms. Lois Brown:** If it takes 15 years.

**Ms. Gisèle Pageau:** Yes, absolutely.

**Ms. Lois Brown:** So if we can move from a complaints-based system into something that is a proactive system, as Mr. Farrell has used that word, is it not better for women in the long run?

As Mr. Farrell said, this is a forward-facing piece of legislation. We are going to have the opportunity to have the discussion before someone brings the complaint to the table. And in the same way, as I said earlier, I shouldn't have to complain if someone assaults me. My safety to my person is my human right. I shouldn't have to complain to someone first before it's recognized that my safety is a human right. So we're looking at establishing that in pay equity.

**The Vice-Chair (Mrs. Cathy McLeod):** Okay, we need to go on now to Ms. Mathysen.

**Ms. Irene Mathysen (London—Fanshawe, NDP):** Thank you, Madam Chair.

I actually would have liked to have heard the response to that. I'll begin by asking, Ms. Pageau, have you a response to that?

**Ms. Gisèle Pageau:** Well, we need proactive legislation, which is what is being recommended in the task force recommendations. I urge all of you to really study that task force. It talks about the involvement of the union. It talks about the liability of the employer.

I'm not quite sure I understand the relationship between a criminal act and human rights. I can't comment on that part, but maybe Mary has a comment or two on that.

**Ms. Mary Cornish:** If I can give this as an example, the CHRA was a complaint-based system in which federal employers, like the ones represented by Mr. Farrell, were essentially pulled, kicking and screaming, to the tribunal. They weren't out there actually sorting out and being in favour of pay equity and doing their thing by themselves. They had to be pulled, kicking and screaming. It took 15 years. Bell Canada went back and forth to court. That's what employers do when nobody is telling them they have to do it. They don't do it unless the unions bring the complaints. The unions have the resources to bring complaints, to keep employers' feet to the fire over that period of time. That isn't an effective system, and we all recognize that.

The issue, in my view, is that nothing is happening at the moment. The government has taken away the rights of women under CHRA. It hasn't implemented PSECA. Nothing is happening now, and when nothing happens the employers continue to pay discriminatory wages. Another example of this, and this is another part to this issue of the pay gap, is the pay equity laws only deal with part of the pay gap, the part that relates to the undervaluation of women's work. As Madame Drolet has said, the pay gap has a series of causes, and some parts may be discriminatory and some may not be. The discriminatory parts can also be addressed by employment equity laws in which women have not had access or there are barriers to accessing higher-paying work.

In Ontario, when the Employment Equity Act was repealed, they were supposed to also engage in a proactive planning process. They were to sit down with their employees and start doing that. The minute it was repealed, everybody stopped. They disbanded all the committees. Employers did nothing. That's what happens when you don't have a law that says you will do it, and you will do it as a separate process, you'll focus on it, and this is your timeframe for doing it.

The problem with putting it into collective bargaining is that when you get into collective bargaining, what's going to happen under PSECA is that there are two remedies in the public service when you can't reach an agreement. You either go out on strike or it goes to interest arbitration. So women have to go out on strike to get a human right, which you're not supposed to do. You shouldn't be giving up other requests like a safe workplace or whatever in order to get your human right. That's why you separate the processes—so you're not giving up something to get your human right. This is essentially what Mr. Farrell's doing. The men will have to give up their pay increase in order for the women to have their human right, so that's part of the problem.

If you're not in the stream in which you go and have a chosen strike, then it goes to interest arbitration. If it goes to interest arbitration, PSECA says that in the state of the economy you can then decide whether you can afford to pay women the human right. That is the other part of this process. International human rights standards don't allow you to ask if you can afford to pay them. You are supposed to have established pay practices as an employer from the beginning. This is no revelation to employers federally that there's pay equity. They could have been sorting out these pay practices for the last 30 years. They don't even notice it. They did not take action unless they were taken by unions to the tribunal, and then that took forever. To describe that as double-dipping is just ridiculous. The unions spent enormous amounts of money trying to get compliance.

That is the context, and that's why anybody who knows anything about pay equity finds that labelling PSECA as proactive is really a ludicrous notion.

● (0940)

**Ms. Irene Mathysen:** Thank you. That sheds a great deal of light.

We heard in testimony that the employer controls the hiring and determines the workplace and could indeed determine that the 70% threshold is never reached. So equating the power of the employer to the union is a spurious argument, inasmuch as the employer has control. Plus, you made reference to the fact that unions took employers, kicking and screaming.... Now if they attempt to represent their workers it's a \$50,000 fine, which again undercuts.

I have another question. It seems contradictory that a government that is setting the rules for federally regulated workers is also the same body that will be subjected to those rules. Does that not seem to be a rather contradictory situation? How could it be resolved?

**Ms. Mary Cornish:** It's one of the reasons that international standards actually require the government to set the example. They're to be the leaders. They're not to be the people following behind. They're to be leaders.

What's most upsetting, actually, is that PSECA is a budget bill. PSECA was there to control the budget. I think Mr. Farrell quite candidly said that employers want to control their budgets, right? Getting it into collective bargaining is a way in which they could try to control it, and then, if you don't get what you want, you can strike, but the opposite is supposed to be case. From the point of view of the government, it's to take the lead, and under international obligations it is certainly supposed to ensure that its own employees—which is what it's doing here with PSECA, because PSECA covers the people that it funds and employs—

● (0945)

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

We are heading into our second round now. You each have five minutes. We'll start with Mrs. Simson.

**Mrs. Michelle Simson (Scarborough Southwest, Lib.):** Thank you, Madam Chair.

I'd like to thank all the witnesses today. It's been extremely informative. All the other witnesses we've heard, I think without

exception, have said exactly what you did: that pay equity is a human right. There's agreement that PSECA is actually going backwards as opposed to going forwards.

If it's a human right and it shouldn't be bargained away, based on what is stated in PSECA, when this bill is enacted, would it be fair to say that what we're doing is enshrining in legislation a violation of human rights here in this country? I'd like each of you to respond and tell me if that would be a fair statement.

**Mrs. Sylvie Michaud:** We wouldn't be commenting on that.

**Mrs. Michelle Simson:** Would you comment, Mr. Durber?

**Mr. Paul Durber:** I think it's a backwards step. I'm not a lawyer, so I can't say whether it is contrary to the charter. I think that's a current challenge before the courts, actually, but I think it is an unfortunate step backwards.

There's no real requirement in that act, no mechanism in that act that I can see, that will actually give effect to pay equity. It's odd, in a way, that the preamble states unambiguously that the House agrees to the principle of equal pay for work of equal value, yet the legislation that follows is so Byzantine that most of us who read it think, "My goodness, there are all those pages; it must be doing something".

**Mrs. Michelle Simson:** Thank you, Mr. Durber.

Go ahead, Ms. Cornish.

**Ms. Mary Cornish:** I think it undermines and perpetuates systemic discrimination pay in the federal public service. I think the failure to keep the CHRA in place also means that the people covered by it, the private sector federally regulated women, are also going to have their pay inequities perpetuated. The task force gave an expert report that concluded that those women were not getting their pay equity.

Remember that there are a lot of women affected by this proposed act who aren't unionized; for them, this is a whole other process that they need to deal with, and they don't have a union to help them.

**Mrs. Michelle Simson:** Thank you.

**Ms. Gisèle Pageau:** Of course, it's going backwards. I'm not going to repeat what my colleagues have said.

My concern is that if we start saving money on the backs of women, where does it stop? What is next? That's pretty frightening.

**Mrs. Michelle Simson:** Thank you.

Go ahead, Mr. Farrell.

**Mr. John Farrell:** We have said that there are certain aspects of this PSECA legislation that we think are beneficial. The primary one that could be applied in the federal jurisdiction for private sector employers, if it's discussed and managed properly, is the joint requirement for the unions and the companies to share responsibility to achieve pay equity.

**Mrs. Michelle Simson:** Thank you.

Ms. Drolet, since you weren't able to comment on that question, I did have one for you. It is based on a line of questioning that Ms. Brown had. You agreed that the wage gap is narrowing, and Ms. Brown stated that it should be narrowing fairly quickly now.

Can you define "quickly"? I ask because I don't see it as happening quickly. For instance, ten years ago—you may not have that statistic—what was the wage gap, and what inroads have we made since then?

• (0950)

**Ms. Marie Drolet:** I think we do have that statistic. Based on the 1997 labour force survey data, the ratio in hourly wages was about 81¢, and it's increased by about 3¢ or 4¢, to up to about 84¢ or 85¢.

**Mrs. Michelle Simson:** That's in 13 years, because you said 1997?

**Ms. Marie Drolet:** Yes. Sorry, the beginning of—

**Mrs. Michelle Simson:** At its current ratio, are there any projections, especially based on legislation like this and moving backwards, on how quickly we could expect to maybe reach some parity or something close to parity?

**Ms. Marie Drolet:** One issue that Ms. Brown raised was about the doctors, for example. We know that the wage gap is smaller among new graduates, and it tends to increase over time. In terms of the fact that we have a large influx of women in higher-paid occupations, right now they're at low entry level positions because they're....

Sorry.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

We next go to Madame Boucher.

[Translation]

**Mrs. Sylvie Boucher (Beauport—Limoilou, CPC):** Good morning to all our witnesses.

Your comments are very interesting. Of course, everyone knows that pay equity is a fundamental right for all women. As parliamentarians, we at least have a job where we receive equal pay for equal work.

I have several questions, because I don't have a union background. These are questions I often ask because I would like someone to enlighten me.

The primary purpose of unions is to defend their members. So far, I'm right. One thing bothers me, though. When the time comes for female members to sit down with employers, which is what you do, unions have trouble ensuring that women have the same rights and the same wages under the collective agreement. That's what I'm hearing in your testimony.

I have never been unionized. So I'm asking you to answer this. Why, when you're a union member, is it so hard to sit down with employers and say that a woman who does essentially the same work as a man who earns \$15 an hour, say, also has the right to earn \$15 an hour, and to ask that this be included in a collective agreement, to prevent any potential split?

Could one of you answer that please?

[English]

**The Vice-Chair (Mrs. Cathy McLeod):** We have Mr. Durber waiting to answer. We'll start with Mr. Durber, who I think put his hand up first, and then go to Mr. Farrell.

[Translation]

**Mr. Paul Durber:** Ms. Boucher, I think there's a problem with the legislation governing collective agreements, because every union has the right to bargain only on behalf of its own members. If those members are all women, a union cannot negotiate based on comparisons with jobs not covered by the bargaining unit. So, there is no possibility of comparing that female unit with a male unit. Pay equity therefore has to be facilitated through other legislation.

There is a Supreme Court ruling on this. Air Canada is another longstanding example that could be informative in that regard.

• (0955)

**Mrs. Sylvie Boucher:** Fine, thank you.

[English]

**The Vice-Chair (Mrs. Cathy McLeod):** Mr. Farrell also wanted to answer.

**Mr. John Farrell:** Yes, I'll defer to Ms. Gagné, who's with me.

**Ms. Barbara Gagné (Representative, Manager, Labour Relations and Classification for Nav Canada, Federally Regulated Employers - Transportation and Communications (FETCO)):** We are for a proactive problem-solving approach, and have proposed that the relationship between the unions and the employers does not only occur at the bargaining table once every two or three years, or whatever the duration of your bargaining cycle is. It's every day. And in order to determine relativity, there are many practices within an HR program that would allow the unions and the employer to work together, such as job evaluation plans that will allow you to evaluate jobs as they are created or changed, to bring together the parties to discuss the classification and therefore the ultimate compensation within the scheme outside of a bargaining process. We would advocate that you can have a positive relationship. You can bring people together. It does not have to be an adversarial relationship and it doesn't happen only at collective bargaining.

Definitely when you get to the point of a collective bargaining cycle, you have to prepare, and that is when analysis and so on can be done and looked at in terms of determining whether there is a gender gap and therefore what you have to do in terms of the wages going forward.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

Monsieur Gaudet.

[Translation]

**Mr. Roger Gaudet (Montcalm, BQ):** Thank you, Madam Chair.

Mr. Durber, earlier you didn't have time to complete your answer on the current situation. You said that Canada wasn't ready to implement pay equity. Did I get that right?

**Mr. Paul Durber:** I didn't understand your question.

**Mr. Roger Gaudet:** Earlier you didn't complete your answer on pay equity. You said that as things now stand in Canada, pay equity cannot be implemented. Is that correct?

**Mr. Paul Durber:** Between the federal government and the provinces?

**Mr. Roger Gaudet:** Yes.

**Mr. Paul Durber:** As I see it, the problem is that our laws do not facilitate pay equity. That is also the case in the private sector. Given that the Human Rights Act does not require a proactive approach, we have to wait for complaints to be made.

Personally, I was involved in a complaint that the Human Rights Commission refused to refer to their tribunal. So, because of the number of women involved—about two dozen—we had no choice but to drop the case. That is difficult to understand.

In the Air Canada case that I referred to, it is quite probable that it will not be possible to pursue the case because investigators have inadequate information about the work involved. Under the current regime, employers are probably not required to provide work-related data. As a result, there is no way of determining the value of the work and, therefore, of estimating the wage gap. In Quebec, however, as you are well aware, the system in place provides for both parties to cooperate and arrive at an agreement in good faith. So action has to be taken.

**Mr. Roger Gaudet:** Thank you.

I have a question for Ms. Drolet or Ms. Michaud. With the new Statistics Canada forms, will you have as much information as before?

**Mrs. Sylvie Michaud:** Do you mean...?

**Mr. Roger Gaudet:** I mean the new census forms.

**Mrs. Sylvie Michaud:** Well, we won't know until the survey is completed. Sampling will be expanded under the new voluntary survey, but we are also expecting a lower response rate. Until we're out in the field, we won't know about the actual impact on the data.

**Mr. Roger Gaudet:** Ms. Pageau, I would like you to explain once again something you referred to earlier. In your presentation, you said, and I quote: "There are a number of reasons why a characterization of pay equity as simply an aspect of labour or employment law should be avoided."

Could you be more explicit?

• (1000)

**Ms. Gisèle Pageau:** If I understood your question, you're referring to the Task Force's recommendations. One of those recommendations is:

the adoption of a new proactive pay equity law;

the expansion of pay equity coverage to include women and Aboriginal workers, workers with disabilities and racialized workers;

The report also recommends:

that all employees under federal jurisdiction be covered by the new proactive pay equity legislation, including non-unionized employees, part-time, casual, seasonal and temporary workers;

These are very important recommendations that were made by the Task Force. They should all be incorporated in the legislation.

**Mr. Roger Gaudet:** Do you think that...?

[English]

**The Vice-Chair (Mrs. Cathy McLeod):** I'm very sorry, but it's now Ms. Mathysen's turn.

**Ms. Irene Mathysen:** Thank you, Madam Chair.

I must admit to a certain level of frustration. Terms like "equality" and "equity" are bandied about, and there doesn't seem to be a real and clear understanding that equal pay for equal work is far different from equal pay for work of equal value.

I go back to the Bell example, because I worked for Bell while I was going to school. As a long-distance operator, I endured horrendous hours in terms of sometimes all night, certainly weekends. And it was known at that time that Bell operators were extremely well trained. The training was commensurate with craft, with the male workers at Bell. And yet the pay was far different.

When we start to look at the situation.... Regarding doctors, we had female doctors come to this committee to talk about non-traditional work and the fact that, because of the situation women face, their work was not valued in the same way as males'. It seems to me that's what it comes down to, the devaluing of women's work.

While I know that is entrenched, it seems to me there is an obligation to pull us out of the previous century, or even two centuries, and say that women do important jobs and they must be recognized for the skills they bring. And let's get rid of this market-driven thing, because that's driven down wages not just for women but also for men. It's a force that employers use over and over to drive down wages.

I want you to comment in terms of this devaluation of women's work and what we need to get into the 21st century.

**Ms. Gisèle Pageau:** The best case to give you an example of how.... It's not just equal work for equal work. It's equal value.

For instance, the most famous case is how we value zookeepers, who take care of animals, compared to women, who take care of children. The zookeepers have been found to be making about 30% more than what the day care women are making. In the Bell pay equity case, for instance, the operators, especially the 911 operators who work under so much stress, were not being compensated, for instance, to a person who puts up poles in the woods and sets up some of the telephone lines. It's about looking at what we do that is different and comparing the value of it.

It's pretty disheartening that we're still not able to grasp this. Pay equity is very complicated. I don't pretend to know everything about pay equity and how we come to it, but there's something very wrong when you have a zookeeper making a lot more money than a day care worker in charge of our children, maybe one of our future leaders. It's very disheartening.

• (1005)

**Ms. Irene Mathysen:** Mr. Durber.

**Mr. Paul Durber:** Could I give another very simple example of why the old equal-pay laws don't work? Under an equal-pay law, by and large you compared two jobs only to find out whether they were identical or not. For example, the cleaner who happens to be a lady—and I did work for the House of Commons for a while, so I know a little bit about the so-called cleaning women here—if they happened not to be having to carry a ladder, which the male workers might have to do, they couldn't be compared. So their incredible restrictions sound artificial, but you couldn't actually get at the work that was being done if there were any differences.

Under the current international rules that Mary mentioned earlier of equal pay for work of equal value, we can look at all the aspects of the work, and that's important to give people—employees and employers—the notion that we're being fair. So underlying “equal pay for work of equal value” is the notion of fairness. We look at all aspects of work, including stress, as you mentioned.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

We have Ms. Brown now.

**Ms. Lois Brown:** Thank you, Madam Chair.

I'd like to go back to Stats Canada if I may. I just want to follow up on that comment you made about our having a lot of new doctors who are female. Obviously they're not making the same pay as somebody who might have 30 years of experience.

If I go back and look at your graph—it doesn't have a number on it, it just says “proportion of population aged 25-54 working full-time”—I see that in 1976 the population was 89% men and 37% women. Yet in 2009 we have men at 78.8%, women at 62%. That's going to explain a whole lot of how we got closer and closer to the wage gap being diminished. As we move forward—and this is what I was getting to in my question earlier—we see more women going into more technologically driven jobs. I think of some of the jobs in the health care sector, for instance, where a lot of women are going into jobs in our hospitals now who are technologists, who are very highly trained. That in itself is going to, over the years with the experience they are garnering, bring that wage gap closer and closer, is it not?

**Ms. Marie Drolet:** The chart you're referring to, the proportion of the population working full-time, that's 89% of men of that age who work full-time, so we've seen a small decrease in the proportion of men working full-time and a large increase in the number of women working full-time. That does not necessarily mean it's going to reflect in the gender wage gap. This is based on the number of people who are working.

**Ms. Lois Brown:** But as we see these women who are now in the workforce gaining experience.... You made the comment about it being new doctors who are in the workplace. As they gain experience, part of their wage is commensurate with the experience they acquire, is it not?

**Ms. Marie Drolet:** Yes, it is, and we know the wage gap in the health occupations is quite small. So over time, if it's already quite small it's not really going to be a contributing factor to the narrowing wage gap as a whole, because these are aggregate numbers. They're based on averages. Of course there's a distribution around every average, so this is just very high-level analysis. I think what you're

really interested in is very specific, occupation-to-occupation comparisons, which is not part of what I've presented today.

**Ms. Lois Brown:** You made the comment that over 13 years we have narrowed the gap by 3%. My contention would be that as women grow in their experience....

I worked as a draftsman in an engineering office. I was paid equivalent to what an entry-level male draftsman would be making. But I was not making the same wage as the design draftsman at the desk next to me, who had 25 years experience over me. My expectation, had I stayed in that career, is that my experience and years of involvement in that craft would have narrowed that gap very quickly, because I had education that he didn't have. I see that as a real proponent for us as females moving forward in the workforce.

• (1010)

**Ms. Marie Drolet:** That's why I think it's important to adjust these wage gaps for such things as education and work experience. It's so that you'd be comparing people more equally.

**Ms. Lois Brown:** That is happening as we see equal work for equal pay. As an entry-level draftsman whose pay was equal to what a male draftsman would have been paid, I had no wage gap.

**Ms. Marie Drolet:** We know that the wage gap is smaller for new entrants into the labour market, whether it be by age or by experience. That tends to grow over time, just because women are more likely to have career interruptions. They are more likely to work part of the year or part-time at various points in their lives.

**Ms. Lois Brown:** That's personal choice.

I'll give the rest of my time to Mrs. Grewal.

**The Vice-Chair (Mrs. Cathy McLeod):** There are 20 seconds left, and two other people wanted to do a 20-second response. Mr. Durber and—

**Mrs. Sylvie Michaud:** Can I just add—

**The Vice-Chair (Mrs. Cathy McLeod):** We'll let Mr. Durber do it. You have ten seconds now, and then—

**Mr. Paul Durber:** This is going to be really fast.

Page 97 of the task force report will give you very interesting information on relative disadvantages to women in terms of additional experience. I think that might be very interesting. There is a whole table there.

**The Vice-Chair (Mrs. Cathy McLeod):** We will have time now for a three-minute round, which means three minutes for questions and answers, and then we will have to deal with a motion after that.

We'll start our three-minute round with Ms. Ratansi.

**Ms. Yasmin Ratansi (Don Valley East, Lib.):** Thank you very much.

My question is to you, Mr. Durber, because you've been a consultant on pay equity in the public sector.

I was a little confused about the questions being posed, because in my understanding, pay equity means you are paid equally for the work that you do, whether you're a junior draftsman or a senior draftsman. If I'm a partner in a law firm, what I make is equal to what another male partner makes. That's the premise. It doesn't relate to whether you're at the entry level or the top level—there will always be a difference—but it's everyone in a profession.

In the public sector, how many visible minorities are there? Do you have any idea? We understand that visible minorities are always paid less than whatever, so could you comment on that?

**Mr. Paul Durber:** I can't give you the statistics, although the Treasury Board puts out annual reports on that. I can say that there is a comment in the task force report on the issue of visible minorities and the pay differentials that are found, as you say. That has not been part of the Canadian Human Rights Act directly, but it can be gotten at indirectly by doing systemic analysis. It is very much more complicated than pay equity.

**Ms. Yasmin Ratansi:** That's fine.

When we talk about human rights, I think there was a response in the status of women report on pay equity in 2004. I think it was a very good report because it basically balances out that pay equity is separate from bargaining rights because they are two separate issues.

Bill C-471 deals with those issues. I'd like you to comment on how that would help or enhance equality between genders and equality among different Canadians.

**Mr. Paul Durber:** As Ms. Pageau mentioned, the task force report also includes comments on aboriginals, visible minorities, and disabled people. In respect, I think Bill C-471, by its reference to the task force report, has a broader ambit than section 11 of the Canadian Human Rights Act, and it is absolutely broader than the PSECA, which covers essentially gender.

**Ms. Yasmin Ratansi:** Then you are in favour of eliminating the PSECA.

•(1015)

**Mr. Paul Durber:** Yes.

**Ms. Yasmin Ratansi:** Ms. Cornish, I have one question for you.

You were talking about the pay equity legislation. Was it Ontario you were talking about? Why did it get eliminated? It was a very progressive move.

**Ms. Mary Cornish:** No, I was talking about the employment equity legislation, which was eliminated in 1995. It had a proactive mechanism for looking at the kinds of barriers you're talking about. The Pay Equity Act remains in place.

**Ms. Yasmin Ratansi:** It was in 1995. Thanks.

**The Vice-Chair (Mrs. Cathy McLeod):** Go ahead, Mrs. Grewal.

**Mrs. Nina Grewal (Fleetwood—Port Kells, CPC):** Thank you, Madam Chair, and thank you to the witnesses for taking time and coming here. Certainly all of us do appreciate your time and your presentations.

As you know, my time is limited. I have just three minutes.

I have a very short question for Statistics Canada. The hourly wage gap, as you know, is larger in non-unionized jobs than in unionized jobs. Could you please explain the difference?

**Ms. Marie Drolet:** I think the unionized wage ratio is upwards of 90¢ without adjusting for anything and non-unionized is just below 78¢ or 80¢.

One factor is that unions are more likely to have pay structures that are public, and that could explain why the wage gap within unionized sectors is smaller.

**Mrs. Nina Grewal:** Okay, would anyone else like to answer the same question?

**Ms. Mary Cornish:** I think some of the reasons the gap hasn't closed is that there wasn't an effective mechanism in place under CHRA, because even in complaint-based, unions are better able to use it. Certainly in Ontario, even using the proactive law, unionization still remains one of the most effective ways to close the pay gap, just by itself, because generally when women are unionized their wages rise and the pay gap closes, and it doesn't require them to file a complaint.

**Ms. Gisèle Pageau:** The other thing with unionization is that we will represent the women and the workers and take it through the processes, whereas non-unionized groups are working all by themselves.

**Mrs. Nina Grewal:** Thank you, Madam Chair.

**The Vice-Chair (Mrs. Cathy McLeod):** Okay, we have Madame Demers next.

[*Translation*]

**Ms. Nicole Demers:** Thank you, Madam Chair.

Ms. Drolet, I'd like you to complete your answer to Ms. Brown. Through your research, have you been able to determine if it's really a matter of personal choice?

[*English*]

**Ms. Marie Drolet:** I think what I referred to when I said there was a remaining gap is we don't know what goes into that remaining gap. It could be choice-based, that people choose certain occupations because they have a preference for the type of work or the types of responsibilities on one hand. On the other hand, we don't know if it's some sort of expectations-based. If you think way back to your pre-labour-market experiences, are you going into certain levels of education, major fields of study, based on some sort of expectation based on gender? So that's a case in which your pre-labour-market behaviour affects your outcomes, which are wages. So for that unexplained portion, that portion of the wage gap that went up to 90¢, a lot of things are going on.

We may not have measured the appropriate skills that could account for some of the pay gap. It could be choice-based, it could be preference-based, it could be differential treatment by the employers against women, I guess. There are a lot of things going into it. It's a label, that unexplained component as a measure of labour market discrimination. You need to consider a lot of things first before labelling it as such.

[Translation]

**Ms. Nicole Demers:** Thank you.

There is a dispute at Canada Post which has been going on for 43 years, I believe. At Bell Canada, it lasted 22 years. Are you able to quantify the employer's investment in legal services?

**Ms. Gisèle Pageau:** I can tell you that, on our side, the Bell case cost us between \$4 and \$5 million for the services of one lawyer and one assistant. Bell had seven lawyers attending the hearings every single day. So, if it cost us between \$4 and \$5 million, I can't even imagine what it cost Bell for its lawyers and consultants.

• (1020)

**Ms. Nicole Demers:** So a human right is not negotiable, but pay equity—

**Ms. Gisèle Pageau:** That's right. I'd like to add something to what was said about women doctors. I suggest that you consult the record of hearings that took place here in May of 2009. I was in the room when three women doctors, with between 10 and 25 years of experience, stated that they do not enjoy pay equity either. There was a very good discussion on the reasons behind that.

So, even though there are now more women in the medical and legal professions, for instance, there are still problems, even after so many years. I suggest that you read the report.

**Ms. Nicole Demers:** Thank you, Madam Chair.

[English]

**The Vice-Chair (Mrs. Cathy McLeod):** Ms. Mathysen.

**Ms. Irene Mathysen:** Thank you.

I want to go back to this discussion of choice. I appreciate the answer from StatsCan, but it's been framed as that women earn less—there are pay gaps—because they are in and out of the workplace, and that this is by choice. I wonder whether you could comment on that, because it seems to me that it may not be exclusively by choice.

Ms. Cornish?

**Ms. Mary Cornish:** I think the issue of the structural and systemic discrimination that women face in their role in reproduction is something that's being dealt with the entire world wide. Certainly in my experience the fact that working women have children is one of the major pieces of discrimination that they face. Actually, the women doctors who start off almost immediately have troubles if they decide to have children.

That's a whole other piece, and it's a piece that's actually addressed by employment equity laws that deal with trying to figure out how women and how employers can address the needs for women. I would say it is a societal choice that we have children and families.

But that is separate and apart from the issue we face today, and that's the reason why this choice issue should not become mixed up

in the issue of equal pay for work of equal value. Equal pay for work of equal value has nothing to do with the choice of whether a woman got this job or that job. What it's about is saying that it's the work women have—the work they're in, the job they have: you evaluate that job. The issue is that there's research that shows that the fact that women are associated with types of work has historically undervalued that work.

So the technique of equal pay for work of equal value is using a mechanism of skill, effort, responsibility, and working conditions—the normal things employers use to value work. Job evaluation was actually an employer tool. Use that tool and compare that work—the work a woman is doing, not the work she might have gotten, should have gotten, or whatever, but the work she's in—and see whether it's comparable to other, male work in the workplace. And if it is comparable, what's the difference in pay?

It's a pretty specific technique, and the tool is to identify that discrimination where comparably valued work is paid less. It's considered that it's paid less because you've done this analysis: you've sorted out that the work is equal and employers are paying them less.

We know that historically, if employers aren't required to address the gap, they don't. Not only that, they actually don't do the analysis. When you have a proactive pay equity law, it isn't that the union doesn't sit down with the employer, as Ms. Gagné was mentioning. They do. I've been involved in these things for 20 years. You sit down—the union is there, the employer is there—you analyze the jobs, you see if there's a gap, and then the law says you have to close it.

**The Vice-Chair (Mrs. Cathy McLeod):** Thank you.

That finishes our three rounds.

I'd like to thank all the witnesses.

I have to say, the commitment to pay equity is a very important issue. Really, it becomes the deliberation whether Bill C-471 or the Public Sector Equitable Compensation Act is the better way to get there.

But please be assured that we all, I think, want to achieve pay equity. Really, the debate is about the best way to achieve this. So thank you again.

I believe we now have a motion from Madame Demers that we'll be discussing.

We'll suspend for 30 seconds.

•

\_\_\_\_\_ (Pause) \_\_\_\_\_

•

• (1025)

**The Vice-Chair (Mrs. Cathy McLeod):** I call the meeting back to order.

We had a motion by Madame Demers. It came back to the table to provide us with a little more information, so I don't think I need to read it.

Could I perhaps ask Madame Demers to start the debate on her motion?

[*Translation*]

**Ms. Nicole Demers:** Thank you very much, Madam Chair.

I would really have liked to include other provinces' demands in my motion. However, having made inquiries, the only demands that were available were those of Manitoba. However, there were some demands out of Manitoba that I could not support. For example, Manitoba was demanding that the Canadian government decriminalize prostitution, which is something I cannot support. As a result, I could not include the demands of the Manitoba Women's March in my motion. The only Women's March demands I was able to include were the four universal demands addressed to the Government of Canada by the Quebec Women's March, which were also UN demands. So, I was able to endorse them. That's the reason why I only included the demands brought forward by the Quebec Women's March.

There were no demands from the other provinces that were specifically addressed to the Government of Canada; the only ones were from Manitoba. I can read them to you, if you like, Madam Chair, but you will see for yourself when you read them that they were far broader in scope.

●(1030)

[*English*]

**The Vice-Chair (Mrs. Cathy McLeod):** Everyone has these in front of them. Do we need to have them read out?

Is there any debate on this motion?

(Motion negated) [See *Minutes of Proceedings*]

**The Vice-Chair (Mrs. Cathy McLeod):** Just as a quick reminder, the members of the committee are asked to send to the clerk their proposed amendments to Bill C-471 by Friday, October 29, at 4 o'clock. And we will be doing clause-by-clause on November 2.

[*Translation*]

**Mr. Roger Gaudet:** Could I be given the result of the vote, please?

[*English*]

**The Vice-Chair (Mrs. Cathy McLeod):** There were three in favour, and seven opposed.

[*Translation*]

**Mr. Roger Gaudet:** Thank you.

[*English*]

**The Vice-Chair (Mrs. Cathy McLeod):** The meeting is adjourned.

---





**MAIL  POSTE**

Canada Post Corporation / Société canadienne des postes

Postage paid

Port payé

**Lettermail**

**Poste-lettre**

**1782711  
Ottawa**

*If undelivered, return COVER ONLY to:*  
Publishing and Depository Services  
Public Works and Government Services Canada  
Ottawa, Ontario K1A 0S5

*En cas de non-livraison,  
retourner cette COUVERTURE SEULEMENT à :*  
Les Éditions et Services de dépôt  
Travaux publics et Services gouvernementaux Canada  
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of  
the House of Commons

### **SPEAKER'S PERMISSION**

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Additional copies may be obtained from: Publishing and  
Depository Services  
Public Works and Government Services Canada  
Ottawa, Ontario K1A 0S5  
Telephone: 613-941-5995 or 1-800-635-7943  
Fax: 613-954-5779 or 1-800-565-7757  
publications@tpsgc-pwgsc.gc.ca  
http://publications.gc.ca

Also available on the Parliament of Canada Web Site at the  
following address: <http://www.parl.gc.ca>

Publié en conformité de l'autorité  
du Président de la Chambre des communes

### **PERMISSION DU PRÉSIDENT**

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

On peut obtenir des copies supplémentaires en écrivant à : Les  
Éditions et Services de dépôt  
Travaux publics et Services gouvernementaux Canada  
Ottawa (Ontario) K1A 0S5  
Téléphone : 613-941-5995 ou 1-800-635-7943  
Télécopieur : 613-954-5779 ou 1-800-565-7757  
publications@tpsgc-pwgsc.gc.ca  
http://publications.gc.ca

Aussi disponible sur le site Web du Parlement du Canada à  
l'adresse suivante : <http://www.parl.gc.ca>