ECONOMIC SECURITY OF WOMEN

Brief submitted by the Conseil d'intervention pour l'accès des femmes au travail (CIAFT) to the House of Commons Standing Committee on the Status of Women May 18, 2017

Pay equity/wage parity

There has been a narrowing of the wage gap between women and men since 1997, when the Quebec *Pay Equity Act* came into force. Nevertheless, in Quebec in 2016, the average hourly wage rate for women is lower than the rate for men by about 11%, their average weekly wage rate is 21% lower, and their annual earnings are 26% lower (2013). The gaps are narrower in Quebec than in Ontario or in Canada as a whole. However, since women are now more educated than men, if there was equal pay for equal credentials, women would earn more than men.

Wage inequity is reflected in the fact that jobs predominantly held by women are devalued relative to those occupied mainly by men. Even when they have the same credentials, the same level of experience and the same level of seniority, women earn less on average than men in most fields two years after graduation.²

Furthermore, there are still relatively high-paying jobs for men that require a high school diploma or less. Women with that level of education are relegated to jobs in the food services, hospitality, retail, some manufacturing sectors or third-rate jobs in health and education services (home care worker, worker in a private residence, early childhood worker, etc.). The difference in the hourly wage rate is more than 20%.

The CIAFT recommends:

- 1. That the federal government introduce proactive pay equity legislation in its area of jurisdiction and ensure that this legislation is properly implemented by avoiding the mistakes made in Quebec and Ontario;
- 2. That the federal government create a serious program of subsidies for early childhood education services, as recommended in the 1986 Report of the Task Force on Child Care; and
- 3. That the federal government create a serious subsidy program for support services in the home and in seniors' residences.

¹ Hourly and weekly wage rates were taken from Statistics Canada, CANSIM table 282-0074. Annual employment income was calculated based on Revenu Québec's Personal Taxation Statistics for taxation year 2013.

² This finding is documented by Ruth Rose in <u>Les femmes et le marché du travail au Québec : portrait statistique</u>, 2nd edition, 2016, Comité consultatif femmes en développement de la main-d'œuvre. [Available only in French]

These subsidies should make it possible to pay fair wages to staff working only in non-profit organizations and public services that are certified by a provincial or territorial government. Lastly, it is necessary to acknowledge the value of typically female jobs that require specific training and involve significant responsibility. We have to be able to recruit and retain the staff needed to provide quality services to the public.

Access to employment/job opportunities

Labour markets and vocational training programs, especially at the high school and college levels, are highly segregated. Women who are new immigrants, members of a visible minority, Aboriginal or have a disability are doubly (or triply) discriminated against. Foreign credentials and experience are often not recognized and there is still considerable prejudice among employers.

The CIAFT recommends:

- 4. That the federal government reintroduce its equal access to employment programs to promote access to better-paid jobs for women and other discriminated groups (visible minorities, cultural communities, Aboriginal people, etc.) and
- 5. That the federal government launch a cross-Canada campaign to promote access to employment and that it work with the provinces and territories to ensure that women have access to language training (English or French) and training programs (Including skills upgrading programs for immigrant women with diplomas) so that these women can effectively integrate into the labour market.

Employment Insurance (EI)program

Since the 1996 EI reforms, the eligibility criteria for benefits, which are based on hours worked, have discriminated against women; they who work fewer hours per week on average than men and are more likely to work part-time.³

The CIAFT recommends:

6. That the federal government go back to EI eligibility criteria based on weeks of work, since the benefit amount is based on weekly earnings.

El parental benefits

For various historical and constitutional reasons, parental and family caregiver benefits in Canada are provided under the Employment Insurance program. Consequently, these benefits are subject to the same constraints as other El benefits: waiting period, low income replacement rates, maximum insurable earnings, ineligibility of self-employed workers (with some exceptions), eligibility criteria that are too strict, ineligibility for unemployment benefits after

³ Ruth Rose, 2015, "Les femmes et l'assurance-emploi, une lutte pour la reconnaissance de l'égalité," REMEST, Vol. 10, No. 1, pp. 82—107. [Available in French only]

receiving special benefits, no paternity benefits, etc. Quebec has avoided some of these pitfalls by creating its own parental insurance plan. Nevertheless, if a good federal plan existed, Quebec would be relieved of the financial obligation associated with its provincial plan and would have fewer constraints.

The CIAFT recommends:

7. That the federal government work with the provinces and territories to create a parental and family caregiver plan designed for these purposes and structured accordingly. Moreover, provinces/territories should have the right to opt out, through appropriate contribution matching and transfer agreements.

With respect to the representation of women in economic leadership positions, the CIAFT recommends:

- 8. That the federal government enact legislation stipulating that at least 40% of the members of the board of directors of any federal agency be women, with equitable representation of minority groups, and that it consider similar requirements for private companies that sign public contracts; and
- 9. That the federal government enact legislation stipulating that at least 40% of the individuals on a federal political party's list of candidates for an election be women.