

**Written Submission for the Pre-Budget
Consultations in Advance of the Upcoming
Federal Budget**

**By
EQUAL PAY COALITION**

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RECOMMENDATIONS

TO REBUILD THE ECONOMY POST-PANDEMIC

RECOMMENDATION 1:

The Ontario Equal Pay Coalition¹ recommends that the government use this budget to kickstart a newer and better economic paradigm focussed on an inclusive social infrastructure for equality. A return to old "normal" economic policies will intensify Canada's existing deep and systemic economic and social inequality. The COVID-19 pandemic presents an opportunity for Canada to rebuild an economy for people for whom it did not work in the past.

RECOMMENDATION 2:

That the government implement a COVID recovery plan that subscribes to a gender-based plus (GBA+) framework so that any and all policy measures and budgetary decisions are fully screened for their impact on women and recognize the differential impacts on different groups of women including Indigenous women, racialized women, particularly Black women, and women with disabilities.

¹ Founded in 1974, the Ontario Equal Pay Coalition brought together trade unions, women's and business women's organizations and community organizations to lobby for the implementation of ILO Convention 100 Equal Pay For Work of Equal Value. The Equal Pay Coalition continues as a coalition of organizations to seek the implementation of equal pay for work of equal value both through legislation and collective bargaining. The Coalition has over 39 constituent and partner groups which represent Ontario women and men who support equal pay for work of equal value.

RECOMMENDATION 3:

That the government implement a feminist recovery plan that builds on the principles of social and environmental sustainability to create a new social infrastructure as follows:

- Fulfill Indigenous women's rights to the land, treaty and title rights and directly ensure clean water, affordable housing, education and health care. Implement the Calls to Action in the Truth and Reconciliation Commission and the Calls for Justice in the Missing and Murdered Indigenous Women and Girls Report.
- Build social cohesion and sustainability with national programs to provide publicly-funded and universal access to child-care and elder care.
- Invest in workers in these fields by increasing wage and income supports, as well as prioritizing workers' health and safety.
- Work with provinces and territories to ensure safe returns to schools are in place to ensure that women are not forced out of employment to care for school-age children.
- Grant permanent status for migrant workers presently in Canada without exception, particularly live-in domestic workers, so that they can access healthcare and worker protections and ensure permanent status on arrival for migrant workers when they arrive in Canada.
- Renew the affordable housing strategy because each dollar of investment in residential construction becomes \$1.52 of provincial gross domestic product (GDP).
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RECOMMENDATION 4:

Close the gender pay gap by creating and supporting good women's jobs:

- Increase the federal minimum wage to a living wage; encourage provinces and territories to do the same.

- Legislate at least 14 paid sick days and paid family leave for all workers.
- Fully close the gender pay gap so that women's legal entitlement to equal pay for work of equal value is fully enforced.
- Lower the uniform national eligibility requirement for Employment Insurance to 360 hours and increase the benefit rate from 55% to 85% of earnings for low-income earners.
- Legislate job protection for individuals with disabilities or compromised immunities who are unable to fulfill job duties due to the risk of contracting COVID-19. Address systemic barriers faced by women with disabilities such as accessible transportation and access to safe housing.
- Implement the *Federal Pay Equity Act* and the *Pay Transparency* regulatory provisions.

ANALYSIS

I. There deep structural gender-inequality in Canada but a feminist COVID recovery plan can mitigate these somewhat.

1. The 2016 Census data showed that not only did the gender pay gap persist, but in some parts of the country it was actually *widening*.² Women are paid less than men in almost every occupational category measured by Statistics Canada (469 of 500 occupations). Women across Canada faced a 32% gender pay gap. Many women face multiple grounds of discrimination:
 - Women with disabilities: 56% gender pay gap
 - Immigrant women: 55% gender pay gap
 - Indigenous women: 45% gender pay gap
 - Racialized women: 40% gender pay gap
2. Women have the right to be paid wages that are free of sex discrimination. The right to pay equity – equal pay for work of equal value – is a basic workplace human right.³ Canada ratified the ILO's Convention 100 on equal pay for work of equal value in 1972. A "right" is just that – it is a legal *entitlement* that must be enforced. It is not a privilege. It is not optional.
3. In her 1984 *Report of the Royal Commission on Equality in Employment*, Justice Rosalie Abella condemned the discriminatory gender pay gap and women's secondary status:

“The cost of the wage gap to women is staggering. And the sacrifice is not in aid of any demonstrably justifiable social goal. To argue, as some have, that we cannot afford the cost of equal pay to women is to imply that women somehow have a duty to be paid less until other financial priorities are accommodated. This

² Kate McInturff, “Sense of the Census: Income, Wage Gaps and Poverty” (Canadian Centre for Policy Alternatives, 13 September 2017)

³ Many dynamics feed into building and sustaining the gender pay gap. Pay equity addresses the specific dynamic of discrimination that arises because we have a sex-segregated labour market in which women and men do different work, often in different workplace, and in which, because of systemic discrimination, “women’s work” is devalued and so paid less than “men’s work” because it is done by women. As the Ontario Pay Equity Hearings Tribunal has stated: “Women are paid less because they are in women’s jobs, and women’s jobs are paid less because they are done by women. The reason is that women’s work - in fact, virtually anything done by women – is characterized as less valuable. In addition, the characteristics attributed to women are those our society values less.” *Ontario Nurses' Association v. Women's College Hospital* (1992), 3 P.E.R. 61 at para. 16-18

reasoning is specious and it is based on an unacceptable premise that the acceptance of arbitrary distinctions based on gender is a legitimate basis for imposing negative consequences, particularly when the economy is faltering.”⁴

4. More recently, the Supreme Court of Canada stated that leaving wage inequities in place makes women ‘the economy’s ordained shock absorbers’⁵. Wage inequities sustain systemic sex discrimination.
5. There is broad academic and civil-society consensus that women in Canada have been disproportionately impacted by the pandemic to an extent that threatens to roll back the equality gains for some women made over the past four decades.
6. Economic losses brought by the pandemic have fallen heavily on women and most dramatically on women living on low incomes who experience intersecting inequalities based on race, class, disability, education, and migration status. Women, particularly racialized women, immigrant women, women with disabilities, make up 70% of precariously employed workers: they are in part-time, short-term, temporary, and casual employment.
7. Women are clustered in sectors like airlines, arts and culture, retail and hotel and food services which were hardest hit by Covid-19.
8. Women dominated high-risk jobs in the pandemic. 56% of women are employed in the 5 C’s: Care work, Clerical, Catering, Cashiering, Cleaning. These frontline and essential workers faced the triple burden of extra care work at home, home schooling and risky paid work.

II. Building a new social infrastructure: a green and caring economy must be at the core

9. A mere return to the old "normal" economic policy, will intensify economic inequality. The COVID-19 pandemic has shone the spotlight on the fact that care work, often invisible, is the essential underpinning of our daily lives and the economy. Care work is the foundation to holding up our shared political, social and economic structures.
10. The post-pandemic recovery phase must build “social infrastructure” to sustain decent work for care workers and high-quality care for communities.

⁴ Justice Rosalie Silberman Abella, *Equality in Employment: A Royal Commission Report* (Canada: 1984) at p. 234

⁵ *Quebec (Attorney General) v. Alliance du personnel professionnel de la santé et des services sociaux*, 2018 SCC 17 at para. 8

11. Social infrastructure includes essential services such as health care work (personal support work, nursing, medicine, cleaning, food preparation, emergency response), community/social work (VAW services and supports, housing, food banks, mental health, addictions, municipal services and so on), childcare (migrant domestic workers and child-care workers) and elder care (home-care and long-term care). In this crisis, food producers, grocery workers, and pharmacy work, and delivery (trucking and postal work) are also folded into the essential care economy.
12. In the UK, research from the Women's Budget Group finds that "a 2% GDP investment in care (e.g. social care, childcare, parental leave and care level) creates double the number of jobs for women and almost as many for men than the same investment in construction.

III. Building social infrastructure will have profound economic multiplier effects

13. Our recommendations are set out above.
14. We can not only forestall loss of equality gains, we can reduce social and economic inequalities with an economic policy focused on social infrastructure.
15. Focusing our public investments on social infrastructure will build a green and caring economy. A green care economy is publicly funded and delivered and democratically accountable; it prioritizes the health and well-being of all. Childcare, elder care, care for people with disabilities and care that sustains others in society, such as care provided through VAW supports and services, should be the key elements of all economic recovery plans, including coordination between the reopening of schools and childcare centres with that of the broader economy.
16. For-profit corporations in the care sector are in the business of generating profits for shareholders, which they accomplish by providing lower quality care, understaffing, and providing fewer benefits and protections for workers.
17. Make permanent increased COVID-19 federal funding to increase the earnings of low-wage workers in the 5 care sectors such as child-care, long-term care and home care through a dedicated funding vehicle with appropriate conditions attached to ensure results.
18. Increase the funding envelope for the caring services (e.g., violence against women; child care, mental health services) to build the urgently needed social infrastructure and ensure that all people with care needs can access appropriate services without facing increased costs and that the services themselves can adapt

to life post-pandemic. In order to build social infrastructure, women and women's organizations need to be part of decision-making processes within government. The government must provide core funding to women's rights and gender equality organizations to enhance their financial security and program impact.

19. The evidence has long established that a focus on social infrastructure adds to the economy. According to Deloitte LLP, the wage gap in Ontario amounted to a \$18 billion of foregone income per year for all working women. This translated to about 2.5% of Ontario's Gross Domestic Product. The cost of the gender pay gap to the economy was equal to the auto parts sector.
20. In Ontario alone, closing the gender wage gap would increase revenues from personal and sales tax by \$2.6 billion and decrease government expenditures on social assistance, tax credits and child benefits by \$103 million⁶
21. In addition, a fair taxation and enforcement system can pay for this feminist social infrastructure. Canada has one of the lowest rates of tax revenue as a share of Gross Domestic Product as compared to other OECD countries. Research evidence estimates that Canada's tax revenues are 41.4% less than they could be if tax expenditures such as reduced tax rates, tax deductions, tax benefits and tax refund programs had never been implemented.
22. And finally, the government's own economic multiplier demonstrates that the economic and jobs impact of affordable housing investments, for example, are among the highest of all government investments.
23. Research has shown that investment in critical services and infrastructure will return significant economic benefits to society, such as through increased participation in the labour force and higher household spending.
24. There is a long-term pay-off from investing in a healthy society, education, housing ownership and other aspects of social infrastructure.
25. The time to build it is now. Alternatives are possible.

Fay Faraday and Jan Borowy
Co-Chairs

⁶ Gender Wage Gap Steering Committee Final Report (2016)
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