

# Submission to the House of Commons Standing Committee on Science and Research

## Study on pay gaps for faculty at Canadian universities

September 2023

The Canadian Association of University Teachers (CAUT) represents 72,000 academic staff at universities and colleges in every province. We would like to thank the Committee for studying the issue of pay gaps within the academic workforce.

As noted in CAUT's [Policy Statement on the Human Right to Equitable Compensation](#), "Equity in compensation is critical to the realization of overall equity in employment. Compensation inequities have adverse impacts on individuals from Indigenous and equity-deserving groups. Inequity in compensation is discrimination."

In this submission, we discuss what we know of the pay gap and highlight three areas for federal action: closing data gaps, strengthening the Federal Contractors Program and using federal spending power to ensure decent work and foster equity, diversity, and inclusion. Although universities and provinces have some heavy-lifting to do to ensure equitable compensation of the academic workforce, the federal government can play a pivotal role in eliminating gender and diversity pay gaps at Canadian universities.

## The pay gap at Canadian universities

CAUT has looked at nearly 50 years of Statistics Canada data on full-time professors to investigate the gender pay gap and some of the potential drivers. It is important to note that the source data, the Statistics Canada University and College Academic Staff Survey system (UCASS) does not include data on non-binary genders, race, disability, Indigenous identity, or sexual orientation. An intersectional approach to the gender pay gap and pay gap analyses based on other demographic factors are therefore not yet possible.

It is also important to note that UCASS data do not represent academic staff working on contract and therefore tell only a partial story of pay and the gendered pay gap in the Canadian academy. It is estimated that at least one out of every three university teachers are employed on a short-term contract. The Census however indicates that women are over-represented in part-time or part-year academic work. The gender pay gap is therefore greater than what is revealed through the UCASS.

Our analysis of the UCASS data finds that, in the last 50 years, the unadjusted pay gap between full-time men and women professors at Canadian universities has decreased from nearly 20% to 10%. The rate of change, however, has plateaued in the last decade. (See Figure 1, Appendix A).

We then looked to see how much of the gap could be explained by typical factors affecting compensation such as rank, years of experience or discipline. When we controlled for age and rank, these factors have a small impact on the pay gap. (See Table 2 and 3, Appendix A).

We then looked at disciplinary differences. Like in the broader labour market, disciplines that have historically been dominated by men pay more than those traditionally occupied by women. These pay differences are reflected in academia, where typically engineering and business, for example, pay more than nursing or teaching. To assess the role of discipline in the pay gap, we calculated what the difference would be if men and women were equally represented at all ranks across disciplines. The impact of discipline is greater than age but is less than 2%. (See Table 4, Appendix A).

The persistent gap results from myriad factors including, the negotiation of starting salaries, assessments of merit and merit pay, time to promotion and market differentials. Each of these factors are opportunities for bias to result in differential compensation. A broader analysis and reform of the salary structure in academia is needed.

While the pay gap for men and women full-time professors in the national data when controlled for age, rank and discipline is less than 5%, and therefore may seem inconsequential, even small pay gaps can have an enormous impact on lifetime earnings and retirement security. One study found that a \$9,000 difference in starting pay led to a cumulative pay and pension gap of \$454,000 at the associate level, and a \$468,000 gap at the full professor level. If a woman was not promoted to full professor compared to a man who was the pay and pension gap rose to \$660,000, and a \$7,000-\$12,250 per year difference in pension.<sup>1</sup>

<sup>1</sup> Smith-Carrier, T., Penner, M., Cecala, A., & Agócs, C. (2021). It's Not Just a Pay Gap: Quantifying the Gender Wage and Pension Gap at a

Post-Secondary Institution in Canada. *Canadian Journal of Higher Education*, 51(2), 74–84. <https://doi.org/10.47678/cjhe.wi0.189215>

The long form census data allows some insight into pay gaps beyond gender for university and college faculty, working full time and full year, part time and part year, with the caveats that it is a random sample and self-reported data. This data shows unadjusted pay gaps of 10.4% for university professors and 18.3% for college instructors who identify as a visible minority. When factoring in gender and visible minority status the gap grows to 25% for university professors and 32% for college instructors. When looking at Indigenous women faculty, a key factor in the gap is likely their underrepresentation in higher ranks and their over representation in part time or part year work, particularly in the college sector. (See Tables 5-7, 2021).

### Recommendation 1: Lead on closing data gaps

Statistics Canada's UCASS has helped standardize the collection and the national reporting of data by institution on binary gender and salaries of full-time professors, by rank, age, and discipline. This is critical information for undertaking gender pay gap studies.

This survey should be expanded to include data on race, Indigeneity, diverse gender identities, sexual orientation, and disabilities to assess diversity pay gaps and how intersecting identify factors impact pay.<sup>2</sup> It should also be expanded to include all academic staff as it currently reports only on those employed full-time. A pilot on this data collection is underway currently and ongoing funding is needed.

In addition, federal funding in the 2018 federal "research" budget for equity, diversity and inclusion initiatives has not been renewed. This funding increased capacity to address equity, diversity, and inclusion at Canadian universities, the foundation of which is through better data analysis and collection. It also leaves uncertain the future of the newly created Dimensions program, which helps drive deeper cultural change, despite promising initial results.

Recommendation 1: Commit \$30 million ongoing to expand UCASS, renew Dimensions, and provide capacity-building grants for institutions to collect, report and analyse equity data.

<sup>2</sup> Woodhams, C., Lupton, B. and Cowling, M. (2015), The Snowballing Penalty Effect. *Brit J Manage*, 26: 63-77. <https://onlinelibrary.wiley.com/doi/10.1111/1467-8551.12032>

### Recommendation 2: Strengthen the Federal Contractors Program

The federal government helped drive the collection of employment equity data at Canadian universities through the *Employment Equity Act*, and specifically, the Federal Contractors Program (FCP), which requires that organizations who do business with the Government of Canada implement employment equity in their workplace. The Dimensions program, and the UCASS pilot are advancing the collection of employment equity data with salary data, which will enable more robust gender and diversity pay gap analyses, among other things.

Changes to the FCP made in 2013 raised the threshold for federal contractors from \$200,000 to \$1 million. As a result, the number of universities and colleges affected fell. In the United States, a threshold of a \$50,000 contract is set for employment equity requirements to apply. As well, in the United States, employers with 50 employees and more are subject to federal employment equity rules, whereas in Canada the threshold is 100 employees. As a result, an estimated one-fifth of the U.S. labour force is covered by federal employment equity requirements.

The federal government appointed a Task Force earlier this year to conduct a review of the *Employment Equity Act*. The report from the Task Force and action on much needed changes to strengthen the Act and the FCP is long overdue.

In addition, federal contractors should be required to comply with federal pay transparency regulations and pay equity legislation. As argued in 2004 by the Bilson Task Force this would demonstrate "the expectation of the federal government that any goods and services it obtains will be produced in settings where the human rights of employees are respected."

The 2004 Bilson Task Force also added that job classes should have similar access to total remuneration and benefits with monetary value (e.g., health/dental insurances, pension plan). Yet, pay equity awards, rarely, include more than salary adjustments, with one notable exception of Franklin vs. the University of Toronto.<sup>3</sup>

<sup>3</sup> <https://exhibits.library.utoronto.ca/exhibits/show/changemakers/pay-equity/2001-franklin-lawsuit>

The FCP should be expanded to include compliance with equal compensation and compensation transparency requirements. Employers contracting with the federal government should be required to collect and report not only on the diversity of their workforce but on their compensation. This will enable more analysis as to the intersecting ways in which gender, racialization, Indigeneity, sexual orientation, and disability status affect compensation.

Recommendation 2: Decrease the FCP threshold and require compliance with a strengthened *Employment Equity Act* and *Pay Equity Act*.

### Recommendation 3: Facilitate the renewal of faculty

Over the past two decades, the hiring of precariously employed and poorly paid contract academic staff has far outpaced those hired into stable, well-paid positions. Using UCASS data, we see that the total number of assistant professorships in 2021/2022 is about the same as the number in 2003/04. Those working full-time but off the tenure-track has grown by 500% in the last 20 years.

Current labour force survey estimates show that one out of every three university professors are on part-year or part-time contracts, without comparable compensation, and limited or inferior access to benefits, pensions, or professional development.

University full-time student enrolment grew by 18% between 2010 and 2020 while full-time faculty numbers rose by just 6% over the same time period. Whereas larger classroom sizes are one-way institutions are managing student growth, the use of precarious academic workers is another.

As in the general labour market, women academic staff are over-represented among the ranks of precarious workers. There are some indications that this disparity is more pronounced for racialized and Indigenous academic staff, and those living with disabilities, although, as noted, there is a paucity of employment and diversity data.

Women and diverse academics are now facing a glass door in academia, which has a profound impact on pay equity in the academy, as well as on teaching, research, and service excellence.

Renewed public funding is needed with accountability to ensure equity, diversity, and inclusion in the academic workforce. The federal government must use its spending power to encourage the provinces to increase their share of funding, in return for improving affordability, accessibility and renewal of the workforce, grounded in principles of equity, diversity, and inclusion. It can also better support diverse early-career researchers through increases to the granting councils.

Recommendations: The federal government increase funds for public post-secondary education and develop a national strategy for public post-secondary education with the provinces that sets targets for renewal of our research and scientific workforce; and increase research grants by 10% with a plan for enhanced support for diverse early career researchers.

### Conclusion

Transparency is key to addressing gaps in compensation resulting from discrimination. Compensation must be linked to diversity data, to assess how single, dual, or multiple sources of labour market disadvantage combine to affect wages and other forms of compensation.

The federal government can support improved data collection and reporting at Canadian universities through expanding UCASS and renewing the Dimensions program and other equity, diversity, and inclusion capacity-building programs. It can also support efforts to eliminate discrimination through a strengthened Federal Contractors Program requiring compliance with employment equity, pay transparency and pay equity requirements.

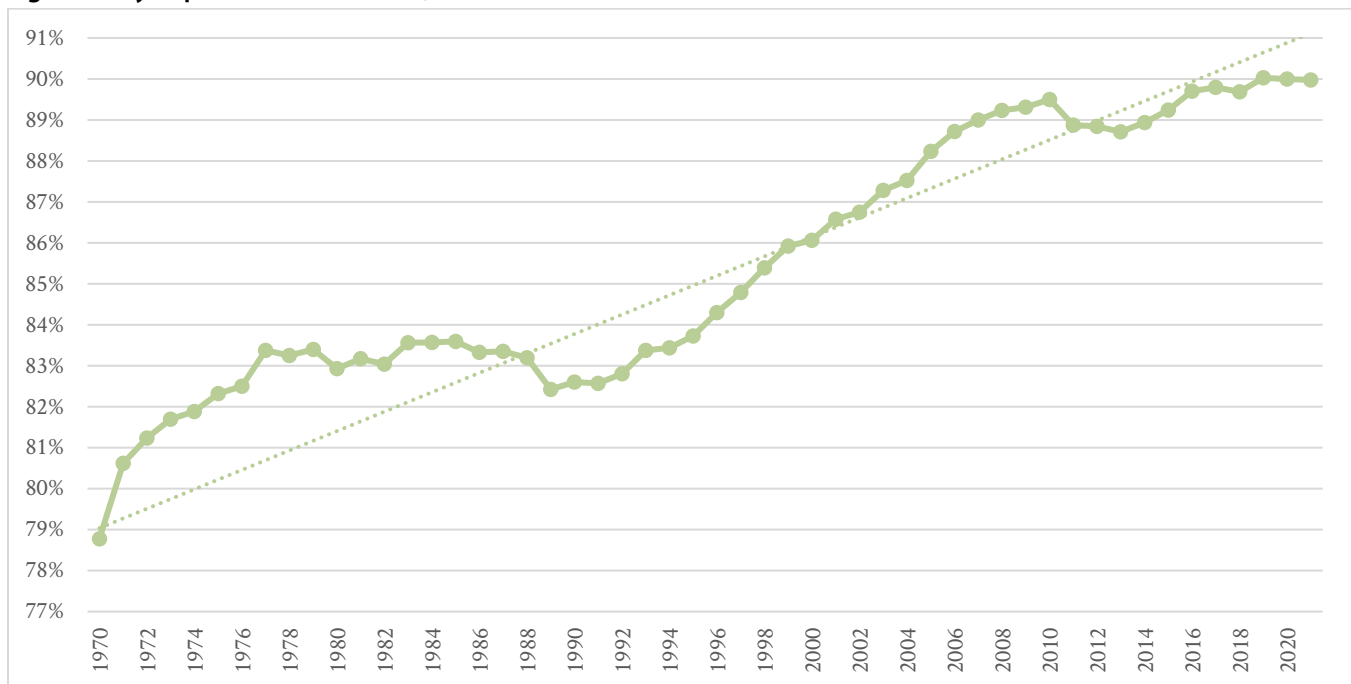
Faculty renewal is a pressing demand and presents an opportunity to achieve employment and pay equity among academic staff. The elimination of merit pay and market differentials, tackling bias in starting salary placement, and adjusting time to promotion will assist in closing the pay gap for full-time academic staff. When looking at the professoriate in its entirety, gender and diversity pay gaps will not be eliminated without concerted efforts to hire equity-deserving academic staff into full-time, tenure-track positions.

## Appendix A

Note: UCASS was cancelled in 2011 and reinstated in 2016. Although data for these years has been collected and released by Statistics Canada, not all institutions participated in this retrospective and this is reflected in the changing data patterns in this time period.

<b>Table 1: Women representation by rank over time</b>						
<b>Rank</b>	<b>1971</b>	<b>1981</b>	<b>1991</b>	<b>2001</b>	<b>2011</b>	<b>2021</b>
Full Professor	3.6%	5.0%	9.0%	16.5%	24.9%	31.0%
Associate Professor	9.0%	13.3%	20.9%	33.3%	39.7%	44.2%
Assistant Professor	14.7%	26.0%	35.9%	40.9%	47.2%	50.2%
Ranks below assistant professor	31.0%	41.7%	52.8%	54.2%	55.1%	55.5%
All ranks combined	13.2%	15.2%	21.0%	29.6%	39.1%	42.1%

**Figure 1: Pay Gap All Ranks Combined, 1970 to 2021**



**Table 2: Women's pay gap by rank over time**

Rank	1971	1981	1991	2001	2011	2021
Full professor	92.0%	95.1%	93.0%	94.1%	94.7%	95.3%
Associate professor	96.0%	96.5%	94.7%	95.2%	96.7%	96.8%
Assistant professor	97.2%	96.5%	96.9%	95.2%	97.2%	96.6%
Ranks Below Assistant	91.2%	94.6%	95.9%	96.2%	94.5%	95.0%
All ranks combined	80.6%	83.2%	82.6%	86.6%	88.9%	90.0%

**Table 3: Pay gap by rank, assuming men's age distribution**

	Controlled for age		No control
	1991	2021	
<b>Full professor</b>	1991	94.2%	93.0%
	2011	95.0%	94.7%
	2021	96.1%	95.3%
<b>Associate professor</b>	1991	95.8%	94.7%
	2011	96.4%	96.7%
	2021	96.9%	96.8%
<b>Assistant professor</b>	1991	95.8%	96.9%
	2011	96.6%	97.2%
	2021	96.3%	96.6%
<b>Ranks or level below assistant professor</b>	1991	94.2%	95.9%
	2011	93.8%	94.5%
	2021	94.4%	95.0%
<b>All ranks combined</b>	1991	87.7%	82.6%
	2011	90.8%	88.9%
	2021	92.4%	90.0%

<b>Table 4: Pay gap by rank, assuming men's discipline distribution (all disciplines)</b>			
<b>Rank</b>	<b>Year</b>	<b>Controlled for discipline</b>	<b>No control</b>
<b>Full professor</b>			
	1991-1992	90.9%	92.9%
	2001-2002	92.6%	94.3%
	2006-2007	94.8%	94.6%
	2016-2017	95.7%	94.7%
	2021-2022	96.9%	95.4%
<b>Associate professor</b>			
	1991-1992	93.9%	95.0%
	2001-2002	96.0%	95.6%
	2006-2007	97.6%	97.2%
	2021-2022	98.1%	96.9%
<b>Assistant professor</b>			
	1991-1992	97.0%	96.0%
	2001-2002	97.0%	95.4%
	2006-2007	97.7%	96.1%
	2021-2022	98.3%	96.6%

<b>Table 5: Average Earnings of University Teachers and College Instructors and Visible Minority Status</b>			
	2020		
	Non-Visible Minorities	Visible Minorities	Difference
<b>All University Teachers</b>	\$119,200	\$106,800	-10.4%
<b>All College Instructors</b>	\$71,700	\$58,600	-18.3%

Source: Statistics Canada, 2021 Census

<b>Table 6: Average Earnings by Occupation, Visible Minority Status and Gender</b>	
2021	Visible Minorities
	Difference*
University Teachers	-25.0%
College Instructors	-32.2%

Source: Statistics Canada, 2021 Census

\*Difference relative to non-visible minority men

<b>Table 7: Average Earnings by Occupation, Indigenous Identity Status and Gender, 2020</b>		
	Indigenous	
	Women	Difference*
University Teachers	\$98,800	-23.9%
College Instructors	\$67,800	-12.4%

Source: Statistics Canada 2021 Census

\*Difference relative to non- visible minority, non-Indigenous men