

Submission to the Pay Equity Task Force
National Council of Women of Canada
June 21, 2002

Introduction

The National Council of Women of Canada (NCWC) is pleased to participate in the Pay Equity Task Force's review of the federal pay equity legislative provisions.

Founded in 1893, NCWC is a non-partisan, non-profit organization of women representing a large number of citizens of diverse occupations, languages, origins and cultures, reflecting a cross section of public opinion. NCWC is comprised of twenty local councils, five provincial councils, two study groups, and twenty-eight nationally organized societies. NCWC works to improve conditions of life for women, families and communities.

NCWC policy is developed at the grass roots level and is voted on by the general membership, thereby being reflective of the views of women across Canada. By its Constitution, NCWC is committed to work for improvement in the status of women and their families, as well as working to better the general conditions of society.

NCWC enjoys consultative status (general) with the Economic and Social Council of the United Nations (ECOSOC), and is a federated member of the International Council of Women (ICW). NCWC is also a member of the International Council of Women's Regional Council of the Americas.

NCWC is on the verge of releasing the results of our important national community consultation on women's economic security called *Securing Our Future*. Women are still an economically disadvantaged population, earning only 63% of men's after-tax income. The *Securing Our Future* project showed that addressing this inequality will require a multi-faceted approach. Women's financial security throughout their life will not happen if women's economic status is examined with too narrow a focus. There are too many variables to consider, such as occupation, economic welfare in regions, professions, and citizenship status. The *Securing Our Future Strategy Guide* shows the diverse issues and concerns of our members and community partners and is designed to activate hundreds more women in the discussions and advocacy on their economic security. This Guide will be distributed nationally at the end of this month.

Pay Equity

In fact, NCWC first asked for equal pay in 1907! It is only in the last quarter century that the issue has come back to centre stage on the women's policy agenda in Canada. As the Chairperson of the *Securing Our Future Advisory Committee* reports, "Women still fare worse than men overall by virtually every economic measure, from taxation to wages and workload to retirement income. Young women of today face an uncertain future. Women will grow old in poverty without the proper tools for strategic life planning."ⁱ We hope that the review of the current pay equity provisions of the *Canadian Human Rights Act* (s.11) will make strategic

ⁱ Margaret MacGee (London, Ontario), NCWC Media Release, June 4, 2001

recommendations for improving pay equity implementation and use multiple lenses in addressing the unequal economic scenario for women in Canada.

Women in the paid workforce today still face barriers to equal advancement. Men outnumber women in a selection of ten of the highest paying occupations in Canada. Statistics Canada National Tables (1996) report that in the case of senior managers of goods production, utilities, transportation, construction, men outnumber women by more than 11: 1. The women in this field earn only 56% of men doing the same work. In every occupation, men are paid substantially more than women. Women outnumber men in all of the lowest paying occupations in Canada except service station attendants. As babysitters, nannies and parents' helpers, all low wage occupations, women outnumber men by 47:1. In every occupation, men are paid more than women. This suggests that the pay equity policy currently in place does not begin to narrow the gap between male and female wages.

Non-Standard Employment

A new pattern of employment through short-term contracts and part time employment (sometimes involving multiple part-time jobs) seems to be emerging as the norm for many women in Canada. Contract and part-time employees face barriers to forming or joining unions and often have to pay for their own supplemental medical insurance, as well as save for their retirement when they have no employer-provided benefits. NCWC is currently finishing the first phase of an important project (*The Economics of Later Life*). During the first phase of NCWC's *Securing Our Future* project, with funding from Status of Women Canada and Human Resources Development Canada, NCWC held a series of roundtables across the country. From our members and community partners, we learned that women's economic security is precarious, a fragility that crosses regions, classes, cultures, and generations.

NCWC members are concerned that women who are currently in or entering the paid workforce will not have sufficient savings to ensure a standard of living above the poverty line when they are older. The incidence of poverty in later life is not confined to women in the retirement years (age 65 or over), but can affect women in the middle year of life as well. NCWC policy has consistently encouraged the Canadian government to work for *de facto* equality in the workplace in Canada. The Canada Labour Code must ensure that part-time workers are provided with the same protection, rights and benefits on a pro-rated basis to those guaranteed to full-time workers.ⁱⁱ The majority of part-time workers are women. Canada, as well as all the provinces, has agreed to support and implement the *UN Convention on the Elimination of All Forms of Discrimination Against Women*.

NCWC has adopted as its policy the principle of full protection, rights and benefits to all types of part-time workers as well as the principle of women's economic equality. NCWC asks that the government define and regulate through legislation and regulation the various types of work including but not necessarily limited to: full-time, part-time, temporary and contract work and ensure all workers receive the same protection, rights and benefits on a pro-rated basis as those afforded full-time workers.ⁱⁱⁱ

ⁱⁱ 82.2: Equal Benefits for Part Time Work

ⁱⁱⁱ 01.4PU Reiteration and Update: Equal Benefits for Part Time Workers

The *Securing Our Future* project identified four key areas of concern raised by the women who participated in the community think tanks and roundtables: Economic Security, Health, Social Services and Education. In this submission we will concentrate on the issues surrounding Economic Security and Social Services. Priority issues and concerns raised for future advocacy included the following:

ECONOMIC SECURITY

Recognize the Contribution of Older Women:

- Gender analysis of the tax system, including older women's needs;
- Increase the minimum wage and tie it to the Consumer Price Index;
- Pay Equity should include pension contributions;
- Tax relief on mortgage payments;
- Simplify tax and other financial forms.

Rising Number of Older Women in Poverty

- Women over the age of 80 have difficulties living within means, with the high cost of retirement home living, and a lack of extended family support;
- Pension Plans for part time, non-standard workers.

Mentor Immigrant Women

- Develop a mentorship program for immigrant women, including empowerment and support;
- Reform the immigrant point system and create mechanisms for skills recognition.

Guaranteed Annual Income

- Provide a guaranteed annual income that allows a livable income for seniors.

How to Live Longer on Less

- Develop a program to teach financial skills building for older women;
- Develop social mechanisms for support and resource sharing for older women.

SOCIAL SERVICES

Gender Analysis of Social Policy

- There is an urgent need to acknowledge the value of unpaid work such as caring for relatives in the home and volunteer work;
- Combat poor-bashing;
- Eliminate the stigma associated with receiving social assistance;

- There is an urgent need to ensure that those caring for their children / elders at home receive financial compensation.

Affordable Housing

- Implementation of a national housing policy;
- Address the needs of homeless women and children.

National Child Care Strategy

- There is a need for a childcare strategy that integrates programs for children at all levels. (Local, Provincial and National);
- The government must support publicly funded education.

Maintain Strong Women's Networks

- Establish ongoing local women's networks for a variety of age groups;
- Reduce the barriers to women participating in politics;
- Support women's efforts to work together in spite of barriers such as racism, sexism, homophobia and classism;
- Institute programs for older women to assist in overcoming isolation and transportation barriers.

Unpaid Work

In addition to working in the paid labour force, women continue to fulfill the majority of domestic and family responsibilities, including pregnancy and birth and care for children, the sick and the elderly. These are unpaid, uncounted contributions are not acknowledged in spite of Canada's commitment (Beijing PF A) to publish auxiliary accounts annually showing the value to the Canadian economy of this work. NCWC has been asking the government since 1974 to institute household surveys of a substantial size and complexity in order to establish the economic value of housework and volunteer community service for the purpose of inclusion in the Canadian Classification and Dictionary of Occupations.^{iv} Cuts to social services are especially damaging to the standard of living of the women who make these huge contributions all the time and this is particularly evident when cuts to social services increases the feminization of poverty.

Recording the annual value of the unpaid worker's contribution would validate entitlement to social plans and services presently available to the paid worker only. Due to the demands of the unpaid workload, women may be prevented from establishing long-term economic security, such as adequate supplementary pension plans. Statistics Canada has estimated that in 1992 the value of household work was between 31 % and 46% of the Gross Domestic Product. According to Statistics Canada, the consultation and testing process in preparation for the 2001 Census indicated that 7% of 115 submissions contained references to unpaid work. Many indicated that

^{iv} 74.9: Economic Value of Home and Volunteer Work

the "situation of those spending very long hours in unpaid work, especially care to children and care to seniors, was not adequately represented by the answer categories. In 1996, 2.1million Canadians were providing unpaid care for elderly or disabled family members. Sixty percent of these caregivers were women and women averaged 5 hours of care for every 3 hours given by men.^v In 1999, the Conference Board of Canada reported that during the 1990s, the number of Canadians who were providing unpaid care for both children and elders increased from 9.5% to 15% of the population. Sixty-seven percent of these caregivers were women and 44% men.^{vi}

Pension Plans

A number of studies along with the 1978 NCWC survey on "The Financial Situation of Older Women" have shown that women of retirement age are generally financially disadvantaged. Many women working outside the home do not have adequate earning years to build up RRSP funds that are substantial enough to provide a sufficient annuity and homemakers are excluded from most public pension plans. NCWC recommends that RRSP annual limits be increased for any person over forty-five years of age, who has an incomplete or non-existent Canada/Quebec Pension Plan record. In addition, the Canada Pension Plan should be opened to non-income earning homemakers who could apply for pension purposes 50% of their spouses' earning, with the total contributions to be allowed as a tax deduction from the income of the earning spouse.^{vii}

Human Rights Act

In 1977 the Federal Government passed the Human Rights Act guaranteeing equal pay for work of equal value and set up the Human Rights Commission to administer the Act. The length of time required by the Human Rights Commission to process a case makes it expensive and discouraging to the client and each case must work through the same process regardless of the outcome of a similar, preceding case. The Commission needs to ensure that the settlement of a complaint addresses the overall issue of systems discrimination against a category of persons.^{viii}

Gender Analysis

The Commission has proven ineffective in controlling the continuing wage gap between male and female employees. It does not encompass the situations in a company where there is no comparable position held by a male.^{ix} The advancement of women includes understanding their reality and the unique constraints that they face, particularly with respect to the amount of unpaid work they perform. Bureaucrats and politicians are often unaware of the different realities of women and statistics are not always disaggregated by gender, which leads to blindness on the part of policy makers to the contributions and the needs of women. Data on women is usually presented in a comparison with data for men, which hides the different constraints women face and tends to emphasize an adversarial rather than a co-operative framework. NCWC recommends that Statistics Canada and other government departments consult with diverse

^v Statistics Canada Elder Care in Canada Ottawa, Statistics Canada 1996.

^{vi} Conference Board of Canada: Caring About Caregiving: The Eldercare Responsibilities of Canadian Workers and the Impact on Employers 1999

^{vii} 81.2 Improving Pensions for Women

^{viii} 90.7 Improving Human Rights Commission

^{ix} 79.1: Equal Pay of Work of Equal Value

women's groups about the types of data collected, including publicizing the value to the GDP of the unpaid, uncounted work done by both men and women. In addition, NCWC urges that gender-based analysis be utilized in all government departments, laws, policies and programmes.^x

^x 98.1EM Economic Gender Equality Indicators and Gender Analysis