

10 Ways To Close Ontario's Gender Pay Gap

Mary Cornish





CCPA

CANADIAN CENTRE
for POLICY ALTERNATIVES
CENTRE CANADIEN
de POLITIQUES ALTERNATIVES

ISBN 978-1-77125-065-8

This report is available free of charge at www.policyalternatives.ca. Printed copies may be ordered through the CCPA National Office for \$10.

PLEASE MAKE A DONATION...

Help us to continue to offer our publications free online.

The CCPA Ontario office is based in Toronto. We specialize in provincial and municipal issues. We deliver original, independent, peer-reviewed, non-partisan research that equips progressives with the arguments they need to press for social change.

The opinions and recommendations in this report, and any errors, are those of the authors, and do not necessarily reflect the views of the publishers or funders of this report.

CAW 507
OTTAWA

ABOUT THE AUTHORS

Mary Cornish is a feminist human rights and labour lawyer and internationally recognized expert in the field of pay and employment equity and human rights enforcement. Her publications include *Closing the Gender Pay Gap: Securing Justice for Women's Work* (2007), *Securing Gender Justice—Challenges Facing International Law* (2006), *Enforcing Human Rights in Ontario* (2009) and *The Journey to Charter Substantive Equality—Still a Long Way to Go* (2012). She is senior partner with the public interest law firm Cavalluzzo Shilton McIntyre & Cornish and co-founder and Chair of Ontario's Equal Pay Coalition.

ACKNOWLEDGEMENTS

This report was prepared with assistance from Jennifer Quito, Tanya J. DeMello and Katie Arnup, which is gratefully acknowledged.

5	Introduction
6	Part 1: Defining the Pay Gap
11	Part 2: 10 Key Steps for Closing the Gender Pay Gap
19	Conclusion
20	Notes

Introduction

THE RIGHT TO work free of pay discrimination is a fundamental human right, yet women in Ontario are still far behind the male starting line in the labour market. Despite better educational attainments, women are still segregated into lower paying jobs.¹ Women in Ontario earn, on average, 28% less than men.

Gender pay gaps are one of the most enduring features of world labour markets with many different and intersecting causes.² Clearly in Ontario the current measures to address pay discrimination are not effective enough to counter market inequality. A multi-dimensional approach to closing the gap is required. This report provides 10 key ways to tackle closing the gender pay gap.

But first, the report answers briefly the following questions to lay the groundwork:

- What is the Gender Pay Gap?
- Why Do We Still Have One?
- Why Does Closing the Gender Pay Gap Matter to Everyone?

The report uses Ontario as its primary focus to illustrate the issues underlying the persistent gender pay gap. It builds on the work in the CCPA-Ontario report, *A Living Wage As A Human Right*.³

Part 1: Defining the Pay Gap

What Is the Gender Pay Gap?

The gender pay gap represents the difference between the earnings of men and women. It can be measured in a number of ways, including total average annual earnings, full-time full-year or hourly.

Ontario's gender pay gap based on all average annual earnings is 28%.⁴ This measure includes all types of work.

Based on full-time, full year earnings, the Ontario gap is around 24%.⁵

For all of Canada, based on full-time, full year workers, the average earnings gap is around 26%.⁶

The average hourly earnings difference in Ontario as of February 2013 for men and women workers is \$25.99 for men and \$22.78 for women or \$3.21 an hour.

Some argue that the hourly difference is the best statistical measure⁷ because it takes into account the fact that many women work part-time. The measure we recommend governments and policy makers look at is total annual average earnings, to fully consider the in-built inequality within the labour market and ways to mitigate that inequality. It is for this reason, Ontario's Equal Pay Coalition has focused on the 28% gender pay gap.

Regardless of how you measure Ontario's gender pay gap, what is clear is that the gap remains shockingly high, given that more than 60 years has

TABLE 1 Average Hourly Earnings By Gender, Ontario, February 2013

	Hourly Earnings
Men	\$25.99
Women	\$22.78
Difference	\$3.21

passed since world governments through the ILO passed Conventions 100 and 111 requiring equal treatment in employment, occupations, and equal pay for work of equal value.⁸ At this slow rate of progress, women would have to work 13 years longer to earn the same pay which men earn by age 65.⁹

While some progress has been made in decreasing the gender pay gap over the past generation, women should not still be taking home 72 cents to the male dollar – especially given their increasing participation in higher education and their rising labour force participation.¹⁰ In Ontario, 58.2% of women are employed compared to 64.4% of men.¹¹ For years, women have been investing significant time and resources in their education. In Ontario, women now make up the majority of undergraduate and master’s degree holders: 62% of Canadian university undergraduate students are women, yet women still earn less in all occupational categories and at all education levels.¹² Even though women are more likely than men to go to university or college, they don’t necessarily end up getting paid better once they’re in the work force.¹³ It is particularly disconcerting that the pay gap remains steadfast for younger generations of women: there is a higher percentage gap – 39% – between women and men’s earnings for those between the ages of 35 and 44.¹⁴

As highlighted by the 2004 Federal Pay Equity Task Force report, the gender pay gap is also experienced more acutely by those who experience multiple forms of discrimination. Racialized women, immigrant women, Aboriginal women and women with disabilities suffer from substantially higher pay gaps.¹⁵ For example, racialized women in Ontario were short-changed 47 cents for every dollar non-racialized men got paid for work in 2005.¹⁶ While some progress has been made, the CCPA report, *A Living Wage as a Human Right* documents how discrimination continues to affect the ability of many such workers to earn a living wage. Income inequality persists while the income of the average CEO has grown to 189 times the income of the average Canadian.¹⁷

Canada's labour markets continue to operate in ways that keep many women struggling at the bottom of the income spectrum.¹⁸ Women, particularly those who face multiple barriers in the labour market, are the face of poverty and joblessness — they are most impacted by the intensification of work across Canada.¹⁹ As labour market expert Monica Townson states: “Canadian women on their own are poorest of the poor.” Her CCPA report *Women's Poverty and the Recession* found that in Ontario, 20% of women are in low-wage occupations, compared to 10% of men.²⁰

Enforcing the human rights of all workers to be free of pay discrimination is a key step to reducing income inequality.²¹ In Canada, women account for 60% of all minimum-wage workers.²² This over-representation of women at low wages cuts across all age groups with lifelong ramifications.²³ Poverty follows women into their retirement: 41.5% of single, widowed or divorced women over 65 live in poverty.²⁴

The gender pay gap widens when women have children, and particularly when they work part-time. Women with children earn an additional 12% less than women without children.²⁵ Women's opportunities for higher pay are limited by the family responsibilities which they still disproportionately bear.²⁶ While the vast majority of mothers now work in the paid labour force — almost 70% of women with children under five are working — women with children have a significantly lower employment rate than men with children.

More than seven out of 10 part-time workers are women, a feature of the labour market which has not changed significantly over the years.²⁷ This means women are much more likely to hold multiple and non-permanent jobs.²⁸ When you combine this with the fact that 60% of women are minimum wage earners, women's vulnerability to low pay is clear. As well, women predominate in sales, service and health care occupations where part-time work is the way employers structure their compensation practices. In other words, women's part-time work is often not a choice but a feature of their work life imposed by the labour market objectives of employers who often resist employing many full-time workers.

While it is true that the gender pay gap based has decreased in Ontario from 38% at the time of the passage of the 1987 *Pay Equity Act*, that decrease does not simply represent more earnings for women. It reflects decreases in men's earnings — particularly with the loss of higher-paid male-dominated jobs, particularly in the manufacturing sector.²⁹ In its 2012/13 *Global Wage Report*, the ILO refers to this as the “composition effect”. Noting that the average gender pay gap declined in the economic crisis years in most countries, the ILO report attributes the decline not to women's improved

situation but, rather, that the labour market circumstances of men have deteriorated.³⁰ Given the increasing human capital attainments of women and their rising labour force participation, the gender pay gap should have significantly decreased on those grounds alone.

The bottom line for women is that bringing home substantially less pay than men affects them throughout their lives, putting women and their children at a higher risk for poverty and reducing their lifetime earnings and retirement income.

Also problematic: Ontario lags behind other countries in closing the gender pay gap. In Australia, for instance, the gender pay gap is about 17%, based on average weekly full-time earnings.³¹ The gender pay gap in the U.S., based on median full-time, full-year earnings, sits at 23% — almost the same as Ontario's gender pay gap based on the same measure.³² It's time for speedier progress.

Why Is There Still a Gender Pay Gap?

Throughout their lives, women face systemic barriers in accessing the same pay as men. According to a report by international pay equity scholar Dr. Pat Armstrong,³³ the gender pay gap is caused by the following three features of Canada's labour market, which interact to yield substantially lower pay for women:

1. The majority of women are segregated from men into different work and different workplaces. In Canada, 67% of women work in traditional occupations such as teaching, nursing, clerical, admin or sales and service jobs in 2009;³⁴
2. In general, women's segregated work is paid less than men's work. The higher the concentration of women, the lower the pay. Women's skills and competencies are undervalued because of their association with women, as are sectors and industries such as health care and services in which women predominate; and
3. Women's lower pay reflects the systemic undervaluation of women's work relative to that of men.

The above three factors, Dr. Armstrong writes: “combine to create pervasive and often invisible discrimination.... The size and persistence of the wage gap clearly indicates that the problem does not stem simply from individual

women and their capacities or from the practices of a few employers. Although there are certainly differences in the way individual women are treated by individual employers, women as a group face a common set of practices that disadvantage them in the labour force.”³⁵ These include: gender-biased compensation and employment practices; absence of employment equity laws; insufficient employment and training supports; lack of affordable child care; and accommodation of care responsibilities. Dr. Armstrong’s report sets out a detailed explanation of these and more factors which cause the gender pay gap.

Why Does Closing the Gender Pay Gap Matter?

Discriminatory pay gaps are a violation of human rights. The right of women to equal pay for work of equal value, as well as equal treatment in pay and employment opportunities, is internationally recognized. This human right has been ratified by Canada and is binding for all provinces. Such obligations require governments to have in place mechanisms which use the maximum available resources to ensure women workers receive pay and employment opportunities without discrimination.³⁶ As well, Ontario’s *Pay Equity Act* and *Human Rights Code* represent Ontario’s guarantee to its women workers that they will not be denied equal treatment in compensation because they are women.

Closing the gender pay gap helps to create a more equal society. Equality is a centrepiece of effective democratic governance. At the same time, pay equality is also a central economic issue. As stated by the World Economic Forum in its 2013 Global Gender Gap Report: “The most important determinant of a country’s competitiveness is its human talent—the skills, education and productivity of its workforce—and women account for one-half of the potential talent base throughout the world.”³⁷ The World Bank president also captures this point well: “When countries value girls and women as much as boys and men; when they invest in their health, education, and skills training; when they give women greater opportunities to participate in the economy, manage incomes, own and run businesses — the benefits extend far beyond individual girls and women to their children and families, to their communities, to societies and economies at large.”³⁸

Women, families, communities, and the economy suffer when there is pay inequality. The estimated annual lost income potential of Canadian women due to the pay gap, according to a 2005 Royal Bank of Canada report, was \$125 billion.³⁹ Closing the gender pay gap benefits employers and workers by creating quality jobs with fair pay.

Part 2: 10 Key Steps for Closing the Gender Pay Gap

GIVEN THE COMPLEXITY of the discriminatory labour market dynamics highlighted above, closing the gender pay gap requires many co-ordinated actions by diverse labour market institutions. This report focuses on the following 10 key steps:

1. Treat closing the gap as a human rights priority;
2. Raise awareness through annual Equal Pay Days and education;
3. Develop closing the gender pay gap plans;
4. Enforce and expand pay equity laws;
5. Implement employment equity law and policies;
6. Promote access to collective bargaining;
7. Increase the minimum wage;
8. Provide affordable and accessible child care;
9. Mainstream equity compliance into government laws and policies;
10. Mainstream equity compliance into workplaces and businesses.

Step 1: Treat Closing the Gap as a Human Rights Priority

Closing the gender pay gap has not been given sufficient priority in public policy and employer practices. That has to change. Given that pay and employment discrimination is against the law, measures to close the pay gap should be treated with special importance as a human rights remedy. Women's right to equal pay and employment opportunities is not a frill or a perk to be ignored when inconvenient or costly. Human rights are supposed to be guaranteed. A human rights-based focus keeps this guarantee in the forefront.⁴⁰ This is particularly important when it comes to discussions about austerity measures. Making those workers who are owed pay equity adjustments or require equality-promoting measures bear the brunt of austerity measures will set back the cause of gender equality many years and will increase, rather than close, the pay gap. Women require effective laws and policies to get an equal place in the labour market before they are asked to bear any share of austerity measures.

Ensuring an equal society is a hallmark of democratic governance. Human rights enforcement is not a partisan issue. It is a fundamental obligation of all those who govern, regardless of their party, to co-operate to take the necessary human rights measures to close the pay gap.

Step 2: Raise Awareness Through Annual Equal Pay Days and Education

Despite the overwhelming evidence of the gender pay gap, there are many who believe it is a matter for the history books. There is a need to raise awareness about the gender pay gap in order to ignite action to close it. Annual Equal Pay Days are a key way to do this.

Equal Pay Days have been proclaimed around the world by governments such as the U.S., the EU, and Australia.⁴¹ No such days have been proclaimed in Canada. U.S. President Barack Obama described its purpose in his 2012 EPD proclamation: "to recognize the full value of women's skills and their significant contribution to the labour force, acknowledge the injustice of wage discrimination and join efforts to achieve equal pay."⁴²

Ontario's Equal Pay Coalition has declared April 9, 2013 Equal Pay Day in Ontario, the same day it is recognized in the U.S.⁴³ This day provides an opportunity to highlight the fact that women in Ontario, on average, would

have to work more than 15 months into the next year in order to earn match men’s annual average earnings.

Awareness of pay and employment equity issues and compliance should also be embedded in educational curriculum. Young students and workers deserve access to the facts and issues about the gender pay gap, so that pay equity compliance measures can truly become an issue for the history books. As well, legislators and policy makers should consider gender pay gap education in order to understand how they can incorporate a pay equity impact analysis into their decision-making.

Step 3: Develop Closing the Gender Pay Gap Plans

Solving a persistent problem requires leadership and planning — analyzing what works, what doesn’t and what further steps or revisions are needed. While governments enshrine planning and consultation mechanisms into their governance structures for key public policy issues like health care and the economy, they have not done so for pay equality.

Creating change of this magnitude requires consultation and a clear action plan with realistic and timely goals, targets and resources. It deserves the same attention as other key issues. For example, the Ontario Ministry of Energy has a long-term energy plan⁴⁴ and Ontario has detailed long-term plans to build the necessary infrastructure to harness its economic future.⁴⁵ After many calls for action, Ontario did develop a long-term poverty reduction plan.⁴⁶ With women consisting of 58.9% of Ontario’s working population, securing their economic future without discrimination merits a plan.

The Equal Pay Coalition (EPC) has called on multi-party co-operation to work with the EPC, employers and other equality-seeking stakeholders to develop, implement and resource a province-wide plan to close Ontario’s 28% gender pay gap by 2025.⁴⁷

The breakthrough in pay equity enforcement in Canada came with the passage of the Ontario *Pay Equity Act* effective January 1, 1988. After years of non-partisan campaigning by the EPC, this law was passed as a result of the 1985 Liberal-NDP Accord where pay equity compliance was a feature of both parties’ platforms. Co-operation between those parties at the time of the 1985 minority legislature not only led to Ontario’s new law but also stimulated the passage of laws in Quebec and other provinces. While Ontario’s gender pay gap has decreased as a result of that law and other measures, the gap is still far too high. There is an opportunity to leverage that

same co-operation which brought to life Ontario's pay equity law to take the next generation of steps to close Ontario's gender pay gap.

Step 4: Enforce and Expand Pay Equity Laws

Pay equity laws and policies are directed at ensuring men and women are paid equally where they do work of equal value. Employment equity laws and policies are directed at ensuring steps are taken to remove barriers and take positive measures to give women equal access to higher paying, often male-dominated work. Both laws and policies are necessary to close the gender pay gap.⁴⁸

Pay equity laws such as Ontario's *Pay Equity Act* implement Convention 100 by requiring employers, working with unions, to develop measures to compare the criteria of skill, effort, responsibility, and working conditions in female-dominated work (eg a registered practical nurse) with that of male-dominated work, such as a paramedic or IT professional. Where the work is comparable in value but the male job is paid more, the female job must be comparably increased in pay.⁴⁹

In 1988, with the passage of Ontario's *Pay Equity Act*, the government pledged an "unalterable commitment" to end pay discrimination.⁵⁰ Yet the Pay Equity Commission acknowledges there remains widespread non-compliance with the law. As well, women in workplaces with fewer than 10 employees are not covered by the law. Further, not all gender pay gaps are closed by the *Pay Equity Act*.⁵¹ There is need to revisit the scope of the *Pay Equity Act* and its enforcement machinery, as well as to design new pay equity enforcement mechanisms, particularly in non-unionized workplaces.

Sectoral approaches, such in Australia, which has a system of wage awards for sectors, should also be considered. A 2012 Fair Work Australia decision found that women in the social and community services public sector, which was female-dominated, had been underpaid because of the sector's association with women's caring work. Fair Work Australia ordered the wages of about 150,000 community sector workers — such as social workers, caregivers, and child protection workers — to be increased by between 19% (\$6,000) and 41% (\$24,000). The Tribunal had previously concluded that women workers in the community and disability sectors were underpaid compared to public service workers doing similar jobs and that gender was one of the reasons workers were being undervalued in the sector. The new rates were ordered to be phased in over eight years.⁵² The 2004 Feder-

al Pay Equity Task Force Report also contains important recommendations for effective enforcement of the human right to pay equity for women's jobs⁵³

Another important set of pay equity tools include laws and policies that require pay transparency in the workplace. In many non-unionized workplaces, employers require employees to keep their pay secret. The pay in unionized workplaces is publicly available in the collective agreement. In the United States, the Lily Ledbetter law provides that an employee cannot be fired or disciplined for sharing information about their pay. The Fair Pay Act now before the U.S. Congress would require employers to share job compensation information with the Equal Employment Opportunities Commission.⁵⁴

Step 5: Implement Employment Equity Laws and Plans

Employment equity laws and policies should be implemented to require employers to plan to end discriminatory practices facing women, racialized and Aboriginal peoples, people living with disabilities, and others who are similarly disadvantaged.⁵⁵ In 1995, Ontario repealed its *Employment Equity Act*, which addressed workplace discrimination in recruitment, employment conditions and retention. The 2004 Federal Pay Equity Task Force Report documented the pay disparities faced by these groups and called for strengthened laws to address them. The federal government rejected the recommendations from this report and, instead, passed the *Public Sector Equitable Compensation Act*, which eliminated women's right to claim pay equity entitlements under the *Canadian Human Rights Act*.⁵⁶

Even without specialized employment equity laws in place, the existing human rights jurisprudence requires that employers take employment equity measures in order to comply with their obligations under human rights codes and collective agreements as well as other human-rights related laws, such as *Labour Relations Act* and the *Employment Standards Act*.⁵⁷

Step 6: Promote Access to Collective Bargaining

Unionization is one of the most effective pay equity tools. One reason that the pay gap has decreased over the years is the increasing unionization of women, particularly in the public sector. The union advantage in pay is, on average, \$5.11 per hour compared to non-unionized workers.⁵⁸ In Ontario, where unions are given a joint role with employers to create pay equity plans, unionized women are much more likely to receive pay equity adjustments.⁵⁹

With the reduction in male-dominated and often unionized manufacturing jobs, the unionization rate for women is now 31.1%, compared to 28.2% for men — although much of that is due to their high presence in public sector jobs.⁶⁰ The private sector unionization rate for women is 12.5% compared to 19.0% for men because of their higher presence in sales and service occupations. Unionized part-time workers have higher hourly earnings and work more hours, leading to average weekly earnings of \$427.26 versus \$240.39 for non-unionized part-time workers. But collective bargaining rights have been weakened in Ontario and across the country.⁶¹ As well, the privatization of public services has contributed to women losing the important pay equity gains they made as unionized workers in the public sector. Steps need to be taken to facilitate rather than restrict unionization.

Step 7: Increase the Minimum Wage

With women forming the majority of Ontario's 534,000 minimum wage workers, any increase to statutory minimum wage laws serves as a down payment on closing the pay gap. Indexing the minimum wage to automatically reflect the rising cost of living reduces poverty and income inequality.⁶² Ontario's minimum wage has been frozen at \$10.25 for three years. The three-year freeze has effectively lowered the income of minimum wage earners by 7%, widening the inequality gap. The living wage in Kingston for two-wage earners and two children was calculated to be \$16.29⁶³ Workers' Action Centre, ACORN, and other groups are urging the provincial government to raise the minimum wage to \$14 per hour and index it to inflation.⁶⁴

Step 8: Provide Affordable and Accessible Child Care

“Child care is the ramp that provides equal access to the workforce for mothers.”⁶⁵ These words from Supreme Court of Canada Justice Rosalie Abella in her 1984 the Royal Commission on Equality in Employment still ring true today. Women with children earn much less money. Many women work part-time because they lack affordable child care options. The 2011 YWCA report *Educated, Employed and Equal* documents the role of child care as a key step to obtaining economic gender equality. The report notes that mothers with children under five are at a 66.5% workforce participation rate. It states: “With a workforce that is increasingly well-educated and in which more women than men are obtaining university and college educations, a national plan

to ensure comprehensive access to quality, affordable early learning and child care services is essential to Canadian prosperity, a crucial support for children and parents and a common-sense response to a changed society. As a choice for parents, early learning and child care services should be as normalized in our social structure as the public school system.”⁶⁶

Yet, nearly 30 years after the Abella Report and despite many other reports calling for affordable, high quality child care, Ontario has made little progress in access. In Ontario, there are licensed spaces for just one in five children and fees are upwards of \$40 to \$60 per day, per child.⁶⁷

A recent study by Pierre Fortin and colleagues from the Université de Sherbrooke showed an increase of as much as 9% in the number of mothers who found employment in the years following the creation of Quebec’s publicly funded child care program. They estimate there are 70,000 more mothers working than if the program did not exist. Investing in child care also creates good jobs for women.⁶⁸ A recent report from TD Economics determined the employment multiplier for the early childhood education sector – which measures the number of jobs created per million dollars of increased output in a given sector – to be 36.9. This was by far the highest across all industries, suggesting that early childhood education does not only provide significant benefits to children, families and the economy, but it provides a better return on investment than many other sectors.⁶⁹

Step 9: Mainstream Equity Compliance into Government Employment and Policies

Under international standards, governments are responsible for creating and sustaining the legal, policy and economic framework to end unlawful systemic pay discrimination. Governments are the guardians of human rights and responsible for enacting equality-promoting mechanisms and resourcing those mechanisms to a practical degree. While Canada has ratified all of these conventions, current pay gaps show it is failing to take all required measures – using maximum available resources – to ensure equality-seeking groups can earn pay without discrimination.⁷⁰

Public policies often draws on an approach that assumes all workers face circumstances similar to predominant able-bodied, white, male workers. They fail to account for the different and unequal circumstances facing women, particularly those who are racialized, Aboriginal, have disabilities or are poor. All social and economic policies should be vetted by govern-

ment departments for their impact, answering this question: do they help close or widen gender pay gaps? Cabinet policy submissions should include a sign off to ensure proposed laws and policies have been reviewed for their contribution to closing these pay gaps. Labour market knowledge, research and monitoring that is sensitive to human rights is key to an effective pay equity compliance system.

As well, government must address its role as an employer, not just a law and policy maker. The rising participation of women in public sector employment over the past 40 years has contributed to closing the gender pay gap. With 60% of public sector jobs held by women, such employment is a major equalizing force. Women employed in Ontario's public sector are paid 4.5% more compared to women working in the private sector. Yet public sector cutbacks in jobs and public services also disproportionately affect women, not only in terms job loss but also in terms of women having to increase their care responsibilities for children and the elderly when public services are no longer available.⁷¹

Government contracts are another good way to help close the pay gap. With thousands of such contracts, procurement policies should include a requirement that the goods and services provided by organizations and businesses comply with pay equity and human rights laws. This needs to be backed up by provincial monitoring and enforcement so that those failing to comply lose such contracts.

Step 10: Mainstream Compliance into Workplaces and Businesses

Employers also need to mainstream equity compliances into their workplace practices, including analyzing the impact of recruitment and retention practices, pay and promotion structures, and conditions of work on vulnerable groups. Along with achieving and maintaining equal pay for work of equal value as required by the *Pay Equity Act*, employers also need to comply with employment equity obligations which, as noted above, are either required as a result of general human rights laws or through specialized employment equity laws.⁷²

Conclusion

PAYING WOMEN FAIRLY and providing them with equal opportunities in the labour market is essential to getting Ontario's economy back on track. Working women power Ontario's economy. Closing the gender pay gap is one of the key building blocks for forging a fair, productive and sustainable society. It is also a fundamental human right. This report outlines 10 steps to close the gender pay gap, in order to restore fairness to Ontario's labour market and reduce persistent income inequality that disproportionately affects working women.

Notes

1 See: *Falling Behind: Ontario's Backslide into Widening Poverty, Growing Poverty and Cuts to Social Programs*. A Report of the Common Front, 2012, <http://www.weareontario.ca/wp-content/uploads/OCF-RPT-FallingBehind-20120829.pdf>.

2 See Pat Armstrong, "Equal Pay For Work of Equal Value, Expert Report dated June 2008, prepared for the Public Service Alliance of Canada in the Federal Court of Canada proceeding, *Public Service Alliance of Canada and Nycole Turmel v. Her Majesty the Queen in Right of Canada*, Court File No. T-1949-00. This report details the history of gender-based wage inequality in Canada and provides a detailed review of the factors explaining the gender wage gap as well as the history of legislative responses to gender-based wage inequality. See also Mary Cornish, *Closing The Global Gender Pay Gap: Securing Justice for Women's Work (2007)*. *Comparative Labor Law & Policy Journal* 28(2) and "Analysis Note: The Gender Pay Gap in the EU – What Policy Responses?" by Mark Smith for the European Commission, and World Bank Report: *Gender Earnings Gaps in the World*, 2012, <http://siteresources.worldbank.org/INTWDR2012/Resources/7778105-1299699968583/7786210-1322671773271/nopo-wage-decompositions-april20-2011.pdf>

3 "A Living Wage As A Human Right", Canadian Centre for Policy Alternatives, (2012).

4 Statistics Canada, 2010 Labour Force Survey, Table 202-0104, sorted for Ontario, all average male female earnings ratio for all earners, <http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=2020104>. see also statistics from the Pay Equity Commission of Ontario which shows as well a 28% gender pay gap based on 2006 census data. <http://www.payequity.gov.on.ca/en/about/pubs/genderwage/wagegap.php>.

5 Statistics Canada, 2010, Labour Force Survey, Table 202-0104 –sorted for Ontario full time full year male female earnings ratio, available at: <http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=2020104>.

6 Statistics Canada, 2010, Labour Force Survey Table 202-0104 sorted for Canada, full-time – full year average earnings male female ratio. <http://www5.statcan.gc.ca/cansim/pick-choisir?lang=eng&p2=33&id=2020104>.

7 See “Why Has the Gender Wage Gap Narrowed? By Marie Drolet, Statistics Canada, Spring, 2011 Perspectives on Labour and Income.

8 ILO Convention 100: C100 - Equal Remuneration Convention, 1951 (No. 100), available at: http://www.ilo.org/dyn/normlex/en/f=1000:12100:0::NO::P12100_ILO_CODE:C100 and ILO Convention 111: C111 - Discrimination (Employment and Occupation) Convention, 1958 (No. 111), available at: http://www.ilo.org/dyn/normlex/en/fp=NORMLEXPUB:12100:0::NO:12100:P12100_ILO_CODE:C111

9 This is calculated based on 28% of 47 years, which is the working life from age 18 to 65, (assuming you're lucky enough to retire at 65).

10 See <http://www.payequity.gov.on.ca/en/about/pubs/genderwage/wagegap.php>.

11 See <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11387/tbl/tbloo2-eng.htm>. 2009 data

12 See Women in Canada, A Gender-Based Statistical Report, Statistics Canada, 2010–11 edition. <http://www.statcan.gc.ca/pub/89-503-x/89-503-x2010001-eng.htm>

13 <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11542-eng.htm>.

14 See <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11388-eng.pdf>. See also <http://jobs.aol.com/articles/2012/10/24/gender-pay-gap-persists-new-female-grads-earn-7-600-less-than/>.

15 See Canada's Colour Coded Labour Market – The Gap for Racialized Workers, by Sheila Block and Grace Edward Galabuzzi, March 2011 Canadian Centre for Policy Alternatives Report. See also the 2004 Federal Pay Equity Task Force Final Report concluded that, in addition to women, members of visible minorities, Aboriginal peoples and persons living with disabilities have all suffered historical economic disadvantage and discrimination in terms of access to jobs and lower earnings compared to other workers in Canada. The Report recommended pay equity enforcement mechanisms for these groups as well. Federal Pay Equity Task Force Final Report, 2004, *supra*. p. 12–47 and 196–199.

16 See <http://www.wellesleyinstitute.com/news/with-2-women-leaders-can-we-build-a-gender-balanced-budget>.

17 “A Living Wage as a Human Right”, Mary Cornish, Canadian Centre for Policy Alternatives,(2012).

18 Falling Behind: Ontario's Backslide into Widening Inequality, Growing Poverty and Cuts to Social Programs: A Report of the Ontario Common Front and Fact Sheets, August 29, 2012 by Natalie Mehra, – See We are Ontario website www.weareontario.ca.

19 Lars Osberg and Andrew Sharpe, Centre for Study of Living Standards, Beyond GDP: Measuring Economic Well Being In Canada and the Provinces: 1981–2010 (September 201) 40 and see “Women's Poverty and the Recession” by Monica Townson,

20 See also, “Canadian Women on Their Own Are the Poorest of the Poor” their own are poorest of the poor, <http://www.policyalternatives.ca/publications/commentary/canadian-women-their-own-are-poorest-poor>. and “Women's Poverty and the Recession” by Monica Townson, Canadian Centre for Policy Alternatives, 2009 at p. 16. ,http://www.policyalternatives.ca/sites/default/files/uploads/publications/National_Office_Pubs/2009/Womens_Poverty_in_the_Recession.pdf.

21 Armine Yalnizyan, Canadian Centre for Policy Alternatives, Ontario's Growing Gap: Time for Leadership (2007). 5.

22 Source: Perspectives on Labour and Income, 2009 LFS data (Canada) <http://www.statcan.gc.ca/pub/75-001-x/topics-sujets/minimumwage-salaireminimum/minimumwage-salaireminimum-2008-eng.htm>.

- 23** Perspectives on Labour and Income, 2009 LFS data (Canada) see <http://www.statcan.gc.ca/pub/75-001-x/topics-sujets/minimumwage-salaireminimum/minimumwage-salaireminimum-2008-eng.htm>.
- 24** Statistics Canada Table 202-0802 — catalogue no. 75-202-X1E. “Persons in low income before tax, by prevalence in percent,” Available online at: <http://www.statcan.ca/english/Pgdb/famil41a.htm>
- 25** See Statistics Canada Report “Economic Well-being” Cara Williams (2010), <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11388-eng.pdf> at page 17.
- 26** 13.4% of women working part-time said they did so because of family responsibilities. See <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11387-eng.pdf>.
- 27** See <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11387-eng.pdf>.
- 28** See <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11387-eng.pdf>.
- 29** See “Why Has the Gender Wage Gap Narrowed? By Marie Drolet, Statistics Canada, Spring, 2011 Perspectives on Labour and Income.
- 30** Global Wage Report, 2012/13, Wages and Equitable Growth, at pp.4–7, International Labour Organization, See also, “Why Has the Gender Wage Gap Narrowed? By Marie Drolet, Statistics Canada, Spring, 2011 Perspectives on Labour and Income.
- 31** See Best Practice Guide, Gender Pay Equity. Fair Work Australia Ombudsman at p. 3, <http://www.fairwork.gov.au/BestPracticeGuides/06-Gender-pay-equity.pdf>.
- 32** See Statistics Canada, Table 202-0102, CLFS. See “Tackling the Gender Pay Gap in the European Union”, European Commission, 2013, http://ec.europa.eu/justice/gender-equality/files/gender_pay_gap/gpg_brochure_2013_final_en.pdf.
- 33** See Pat Armstrong, “Equal Pay For Work of Equal Value, Expert Report dated June 2008, supra.
- 34** See <http://www.statcan.gc.ca/pub/89-503-x/2010001/article/11387-eng.htm>.
- 35** Pat Armstrong, “Equal Pay For Work of Equal Value”, Expert Report at p. 12008 Report at p.1.
- 36** Mary Cornish, Fay Faraday, Elizabeth Shilton, “Canada’s International and Domestic Human Rights Obligations to Ensure Pay Equity: Obligations to Design an Effective, Enforceable and Pro-Active Federal Law”, 2002, unpublished research paper prepared for the Federal Pay Equity Task Force.
- 37** Global Gender Gap Report, World Economic Forum, at p. 29., http://www3.weforum.org/docs/WEF_GenderGap_Report_2012.pdf.
- 38** “Evidence and Impact: Closing the Gender Gap”, speech by World Bank President Jim Yong Kim to the U.S. State Department, <http://www.worldbank.org/en/news/speech/2012/07/19/remarks-world-bank-group-president-jim-yong-kim-evidence-impact-closing-gender-gap>. See also “World Bank Development Report 2012” at pg. 254, <http://siteresources.worldbank.org/INTWDR2012/Resources/7778105-1299699968583/7786210-1315936222006/Complete-Report.pdf>
- 39** See <http://www.theglobeandmail.com/report-on-business/careers/why-we-should-still-mind-the-wage-gap/article4486383/>.
- 40** See discussion of a human-rights based analysis in “A Living Wage as a Human Rights”, supra and in Mary Cornish, Closing The Global Gender Pay Gap: Securing Justice for Women’s Work (2007). *Comparative Labor Law & Policy Journal* 28(2).
- 41** See <http://www.equalpaycoalition.org/take-action/> for brief description of world Equal Pay Days.

42 <http://www.whitehouse.gov/the-press-office/2012/04/17/presidential-proclamation-national-equal-pay-day-2012>

43 See the U.S. National Committee on Pay Equity website for U.S. Equal Pay Day actions. <http://www.pay-equity.org/day.html>.

44 See <http://www.energy.gov.on.ca/en/ltep/>.

45 See: "Building Canada Together: Ontario's Recommendations for the Federal Long-Term Infrastructure Plan," <http://www.moi.gov.on.ca/en/infrastructure/ltep/plan.asp>.

46 See <http://www.ontla.on.ca/library/repository/mon/22000/283408.pdf>.

47 See <http://www.equalpaycoalition.org/take-action/>

48 For a discussion of pay equity laws in Canada, see Pat Armstrong, "Equal Pay For Work of Equal Value, Expert Report, supra; Mary Cornish, Closing The Global Gender Pay Gap: Securing Justice for Women's Work (2007), supra. For a review of employment equity laws, see Mary Cornish, Fay Faraday and Jan Borowy, Securing Employment Equity By Enforcing Human Rights Laws, Chapter in forthcoming book, Employment Equity in Canada: 25 Years After the Abella Report, Agocs, C, Lynk, M and Craig, J (eds) Toronto: University of Toronto Press.

49 For description of the operation of Ontario's *Pay Equity Act* see the Pay Equity Commission website, www.pec.on.ca.

50 See Equal Pay Coalition, *Framework for Action*, 2008 supra.

51 See decision of the Ontario Divisional Court in *CUPE Local 1999 v. Lakeridge Health Corp.*, 2011 ONSC 2804 (CanLII), <<http://canlii.ca/t/flj1h> which held that unequal wage grids were not unlawful under the *Pay Equity Act* even though they delivered less pay to female job classes than their comparator male job classes.

52 Australian Municipal, Administrative, Clerical and Services Union and others v. Australian Business Industrial (AM2011/50), Fair Work Australia, February 1, 2012, <http://www.fwc.gov.au/decisionssigned/html/2012fwafb1000.htm>.

53 Federal Pay Equity Task Force Final Report, 2004, supra, p. 196–199.

54 Questions and Answers on the *Fair Pay Act*, U.S. National Committee on Pay Equity, <http://www.pay-equity.org/info-Q&A-Act.html>.

55 "Employment Equity Laws Ensure Workplace Fairness", Mary Cornish, Avvy Yao-Yao Go and John Rae, Op ed, Toronto Star, February 1, 2013

56 *Public Sector Equitable Compensation Act* (S.C. 2009, c. 2, s. 394

57 For a discussion of the enforcement of employment equity through human rights see Mary Cornish, Fay Faraday and Jan Borowy, Securing Employment Equity By Enforcing Human Rights Laws, supra.

58 Canadian Labour Congress, "The Union Advantage in Canadian Communities", August, 2012, <http://www.canadianlabour.ca/national/news/clc-releases-study-union-advantage-unionized-workers-earn-511-more-hour-non-union>.

59 The Framework for Action, The Equal Pay Coalition of Ontario, 2008, supra.

60 "Unionization 2011, Statistics Canada, by Sharanjit Uppal, <http://www.statcan.gc.ca/pub/75-001-/2011004/article/11579-eng.htm>.

61 "Unions Matter: How the Ability of Labour Unions to Reduce Income Inequality and Influence Public Policy Has Been Affected by Regressive Labour Laws, by Gary Sran with Michael Lynk,

James Clancy and Derek Fudge, March 2013, Ottawa, Canadian Foundation for Labour Rights. http://www.nupge.ca/files/publications/CFLR_Unions_Matter.pdf.

62 “A Living Wage as a Human Right, *supra*, at p. 13.

63 “A Living Wage in Kingston”, The Kingston Community Roundtable on Poverty Reduction – Living Wage Working Group, Canadian Centre for Policy Alternatives report, October, 2011.

64 See <http://www.acorncanada.org/other-updates-a-local-campaigns/702-action-now-to-raise-ontarios-minimum-wage>.

65 See <http://www.childcarecanada.org/resources/issue-files/early-childhood-education-and-child-care---still-central-women's-equality>.

66 <http://ywcacanada.ca/data/publications/00000047.pdf>.

67 <http://rethinkchildcare.ca/learn/>

68 http://www.usherbrooke.ca/chaire-fiscalite/fileadmin/sites/chaire-fiscalite/documents/Cahiers-de-recherche/Etude_femmes_ANGLAIS.pdf

69 http://www.td.com/document/PDF/economics/special/di1112_EarlyChildhoodEducation.pdf

70 Federal Pay Equity Task Force Final Report, 2004, *supra*, p. 52–59. See also Mary Cornish, Fay Faraday, Elizabeth Shilton, “Canada’s International and Domestic Human Rights Obligations to Ensure Pay Equity: Obligations to Design an Effective, Enforceable and Proactive Federal Pay Equity Law”, *supra*.

71 See Something to Value, The Commission on Quality Public Services and Tax Fairness, Interim Report, April, 2012. <http://opseulocal468.com/wp-content/uploads/2012/04/Something-to-Value1.pdf> and <http://www.wellesleyinstitute.com/news/with-2-women-leaders-can-we-build-a-gender-balanced-budget/>. See also <http://www.wellesleyinstitute.com/wp-content/uploads/2012/03/Ontario-budget-2012-Austerity-is-bad-for-our-health-Will-the-budget-avoid-harm-to-children-low-income-ontarians-and-women1.pdf>.

72 Mary Cornish, Fay Faraday and Jan Borowy, Securing Employment Equity By Enforcing Human Rights Laws, *supra*.



CCPA

CANADIAN CENTRE
for POLICY ALTERNATIVES
ONTARIO OFFICE