



A PAY EQUITY ACT FOR A FAIRER NEW BRUNSWICK

Brief presented by the Coalition for Pay Equity
to the Standing Committee on Law Amendments,
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regarding Bill 77 – *Pay Equity Act*

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LEGISLATION FOR A FAIRER NEW BRUNSWICK

Introduction

We are very pleased to present our arguments in favor of Bill 77, *Pay Equity Act* to the Standing Committee on Law Amendments in the name of the Coalition for Pay Equity. We wish to take this opportunity to thank the following for their support: Elizabeth Weir, who presented the Bill to the Legislative Assembly, Carmel Robichaud, who seconded it, and the Standing Committee on Law Amendments, which chose to hold public hearings to give the public a chance to express themselves on this very important question.

As you know, the Coalition for Pay Equity has been fighting for a Pay Equity Act ever since it was founded by the Fédération des Dames d'Acadie in 1998. Back then we were the Women's Union for Pay Equity. In 2001, our members chose the name Coalition for Pay Equity in order to emphasize that pay equity is important to society as a whole, not just to women, and that men who wish to correct the injustice represented by wage discrimination are welcome among us.

What hasn't changed since we were founded is our commitment to pay equity and to legislation as a tool for change. We wish to speak to you now about that commitment.

1. The principles of the act

The problem of sex-based wage discrimination is complex. Although it cannot entirely be solved by the adoption of a Pay Equity Act, it is crucial that such legislation be part of the means of action and the tools developed to eliminate sex-based discrimination and correct its effects. The International Labour Organization travail (ILO) recently came to the same conclusion based on important international research. In its Global Report for 2003, the ILO, whose *Equal Remuneration Convention (no 100)* has been ratified by Canada, stated that governments "play a key role in eliminating discrimination" and that the adoption of legislation represents "an indispensable first step" toward eliminating sex-based discrimination (ILO, 2003, emphasis added).

Bill 77 meets these important criteria:

- **It is proactive**, that is, it forces employers to establish pay equity in their businesses and to show that they have complied with the requirements of the legislation. An Act is proactive rather than reactive when its implementation is not dependent on complaints from employees.
- **It is inclusive**, that is, all employers have to comply with it, giving all full- and part-time employees in the public and private sectors the right to equal pay for work of equal value.
- **It will maintain pay equity**, that is, it will be clear that employers have the responsibility to maintain pay equity over the long term.
- **It will ensure employee participation in the work of pay equity** by calling for the creation, by the employer, of a joint pay equity committee where employees, accredited associations and the employer will be represented. The pay equity committee is responsible for implementing and maintaining the pay equity program.
- **It calls for a period of preparation**, during which there will be an educational campaign on how to implement pay equity (job evaluation, wage adjustments) for employers and employees. This period of preparation would begin immediately after adoption of the Pay Equity Act.
- **It would be implemented by an independent organization**, that is, its application and implementation would be facilitated and monitored by a specially created Pay Equity Commission having the financial and human resources and sufficient powers to fulfill its mandate.

2. Why a Pay Equity Act?

We want a *Pay Equity Act* because since 1951, “equal pay for work of equal value” has been an internationally recognized human right. Canada has signed several international agreements to this effect, including the *Equal Remuneration Convention (no 100), 1951* of the International Labour Organization, the *International Covenant on Economic, Social and Cultural Rights* and the *Beijing Platform for Action*. New Brunswick is bound by these agreements, but has still not complied with them, even though a human right is not negotiable. You can’t choose whether or not to apply it based on whether it’s advantageous to you or not. Only legislation can guarantee respect for pay equity as a human right in New Brunswick.

We want legislation because right now the hourly wage gap between men and women in New Brunswick is \$2.88 (Statistics Canada 2003). Several factors contribute to this gap, but it is generally admitted that about half is

due solely to sex. We need a *Pay Equity Act* so that women in New Brunswick will finally get their fair share.

We want legislation because underpayment for traditionally female or female-dominated jobs has a direct effect on the poverty of women. It is well recognized that poverty has a disastrous impact on the health of women, children and families, and on the ability of women and children to leave a violent family environment. With pay equity, women will get higher salaries. As a result, fewer women, children and families will live below the poverty level. They will have better access to education, better pension plans and better health. We need a law to reduce women's poverty.

We want legislation because we need to correct centuries of injustice: wage discrimination. Mentalities change slowly, too slowly. In 1996, the New Brunswick Advisory Council on the Status of Women estimated that at the rate that the wage gap between men and women working full time was dropping, women would attain pay equity in 2410¹. Our legislators need to send a clear message in favor of pay equity. We need education, yes, but voluntary measures aren't enough. We need legislation to give a clear message: wage discrimination is not tolerable and will not be tolerated in New Brunswick.

We want legislation because women's jobs are essential to the running of our society and our businesses. The fact that they have been shunted into specific jobs for decades doesn't reduce in the slightest the real value of their contribution to the labour market. We need legislation so that the salary of women in traditional jobs will reflect their investment in their work.

We want legislation because we see that our young women are still choosing traditionally female jobs. Despite encouragement to pursue nontraditional careers, they still invest themselves massively in traditionally female fields of study. And this is fine, too, because we need people to do this essential work. We need daycare workers, secretaries, teachers' aids. We believe that women have the right to choose the kind of job they want. What has to improve is the salary for traditionally female jobs. However, this is not the current situation. According to the Maritime Provinces Higher Education Commission, women who graduated from university in 1999 and worked full time in 2001 earned 84% the hourly wage of men in the same conditions². The Commission said that "when we account for the number of hours

¹ Advisory Council on the Status of Women. Winter 1996. Pay Equity: The Score: Men: \$1, Women \$0.64. *Women's News*,

² Maritimes Provinces Higher Education Commission. 2004. The gap between male and female university graduates in job-related results. *Trends in Higher Education in the Maritimes*, 3 (1).

worked, the field of study, the profession and the province of residence, mere sex is still a solid indicator of earnings". Shouldn't young women get the wages they deserve? We need legislation so that our daughters will feel valued and respected in their choices and their jobs.

We want legislation because we are convinced that the costs to employers are overestimated while the benefits are underestimated. According to the federal Pay Equity Task Force, "[pay equity] adjustments correspond to a relatively moderate percentage of the payroll, usually under 2.5%.³" Among the benefits, note the New Brunswick entrepreneurs surveyed by participants at the NB Wage Gap Roundtable thought that pay equity brings measurable improvements in productivity and reducing expenses associated with staff turnover. All those surveyed stated that such changes increased the economic sustainability of their business by preparing them to face the shortage of workers that is predicted for New Brunswick in the next few years⁴.

We want legislation because voluntary measures don't work. The experience of Québec proves it. In October 2003, 85% of the businesses in Québec that had begun or completed a pay equity program said that they had done so because they were required to by the *Pay Equity Act*⁵.

We want legislation because pay equity will benefit the whole province. Pay Equity will increase productivity, improve employee retention, help meet the objectives of the government's Prosperity Plan, decrease poverty, increase women's ability to contribute as taxpayers, reduce the costs of health and social programs associated with poverty. It will also show that the province of New Brunswick values equity, fairness and respect for human rights.

3. We've asked again and again

All these reasons explain why thousands of women and men in New Brunswick have shown their support for a *Pay Equity Act* over the last few years. The New Brunswick Committee for the World March of Women 2000 made a *Pay Equity Act* one of its two demands to the New Brunswick government, the other being the elimination of poverty. Remember that the Committee for the March, together with the Coalition for Pay Equity (still called the Women's Union for Pay Equity), managed to assemble one of the largest petitions ever seen at the Legislative Assembly: 30,000 individual

³ Pay Equity Task Force. 2004. *Pay Equity: A New Approach to a Fundamental Right*. Ottawa: Pay Equity Task Force, p. 138.

⁴ New Brunswick Wage Gap Roundtable. 2003. Closing New Brunswick's Wage Gap: An Economic Imperative. Final report. Wage Gap Roundtable: Fredericton, paragraph 3.40.

⁵ Quebec Pay Equity Commission - PEC, *Léger Marketing Survey*, October 2003.

signatures and 74 social solidarity contracts signed by organizations representing over 65,000 persons. This petition was given to Premier Bernard Lord on October 13, 2000.

Since then we have carried out other activities to reinforce our request for pay equity:

- ✓ Launched Pay Equity Day
- ✓ Presented bread and roses to MLAs and Ministers
- ✓ Sent Christmas cards to the Premier
- ✓ Postcard campaign organized jointly with the New Brunswick Federation of Labour
- ✓ Presented Margaret Ann Blaney, the Minister responsible for the Status of Women, with a symbolic bill representing how much less women earn than men
- ✓ Letter writing campaigns
- ✓ Met with several MLAs.

The Coalition also participated in Minister Margaret Ann Blaney's Wage Gap Roundtable in 2002-2003 with the intention of pursuing the matter with new sectors in the province. One gain from the Roundtable was the recognition that wage discrimination exists in New Brunswick.

At the same time as it carried out its awareness activities, the Coalition investigated the laws in Québec and Ontario. On February 16, 2002, it organized the conference *Attaining Pay Equity: Why and How?*, with the Canadian Bar Association and the Université de Moncton. Two consultation sessions to draft a bill were organized with the participation of specialists in pay equity from Québec and Ontario; one in April 2003 and the other in April 2004. The conference and the consultation sessions led to the drafting of a bill by Louise Aucoin, professor of Law at the Université de Moncton, in 2004. This is the bill now before you. It is the fruit of several years of research and reflection.

Conclusion

In closing, we want to remind you that legislation is a tool that legislators can use to clearly support a value. It is your responsibility to ensure that all members of our province, women or men, are treated fairly and equitably.

We hope that you will be favorable to our request and act for the good of half the population of New Brunswick by passing Bill 77 on Pay Equity.

We warmly thank the members of the Standing Committee on Law Amendments for their attention to this important matter. We are very grateful to you.