

## Presentation to the Law Amendments Committee on Pay Equity

November 19, 2004

On behalf of the Urban Core Support Network, I want to thank you for this opportunity to present to you our thoughts about the proposed Pay Equity Act. The Urban Core Support Network is a coalition of more than 30 members who represent individuals who live in poverty, community agencies, government, the faith community and the business community. The issue we are most concerned with is poverty. We focus on education - helping people to better understand this complex issue and exploring ways that we can remove barriers that keep people from moving forward in their lives. We know there are many groups and organizations who have presented to the Standing Committee who have expertise on pay equity - what works and what doesn't. We come here today as an organization who understands the impact of poverty on so many people in our community and we recognize that steps to reduce or eliminate the wage gap is a critical way to assist in reducing poverty among women in our province.

I would like to begin with a snapshot of poverty in our community. Currently, we have an overall rate of poverty of 24.5% in Saint John. The growing numbers of children living in poverty in our community is appalling (if you don't already know the statistic, 1 out of every three children in Saint John are living far below the poverty line). At 73.3%, Saint John has the 2<sup>nd</sup> highest percentage of single parents living in poverty in Canada. There are more female single parents living on income assistance than men (1,858 women; 161 men). In New Brunswick we have some of the lowest income assistance rates across the country. A single person who is considered employable will receive \$264.00/month; a single parent mother with one child receives \$821.00/month. In Saint John, we have in excess of 800 people waiting for subsidized housing. People who are trying to exist on limited income want to improve their living circumstances but often need support to get them on the road to 'self-sufficiency' or into that labour market.

In a recent publication produced by our organization, we use the analogy of a mineshaft to show how people get stuck and find it difficult to move out of poverty. Some of the rocks that keep people buried in that mineshaft are a low minimum wage; a lack of transportation; limited job opportunities; poor health; inflexible programs. Many people living in poverty pay 50 - 80% of their income on rent, which leaves very little for food, utilities, clothing and medical costs. The stress of not having enough money to meet basic needs can almost be overwhelming but add to that inflexible government policies, and people can feel stuck. For example, single parents who succeed in securing low wage employment, need to have in place, supports such as health benefits and child care. Too often, they find they are not eligible to continue to receive a health card or find that they can receive child care support, however, the day care centre is charging top up fees.

I would like you to think about the situation of Joan. She is a single parent with two children receiving income assistance of approximately \$900/month. If we look at the mineshaft again, she would be one of the people we consider to be the marginally poor. She has some personal barriers - low self-esteem and limited employment skills. However, she has been able through her case manager at FCS to participate in a self-esteem program and then a training program where she has gained new skills and is ready to move into the labour market. She succeeds in finding a job as a receptionist with a local business. She talks with her case manager about child care and receives approval. However, now her challenges begin. First, she has to find a day care centre who will take her 18 month old daughter. She would like to find one in the neighbourhood because she will need her 6 year old son to go to the day care centre for a short time in the morning before school starts and he will need to be able to walk to school. She soon discovers that the only day care who will take her toddler is across town; her son is accepted in her neighbourhood day care centre. She asks for help with transportation and finds that she can get help with a bus pass for one month but then she is on her own. She drops her son off at the local day care; takes her daughter across town to the day care and then back to another part of the city for her job. Of course, this is repeated after work. As a result of the travel time, she finds that FCS will only pay for 7 hours of day care; her children are in the day care for 9, so she will have to pay a top up fee which will amount to \$25.00/week - about \$100/month; the bus pass is \$60.00/month. Joan somehow meets all of these challenges and receives her first paycheque. She realizes her \$6.25/hr job will mean a monthly income of about \$1100/month. With the additional expenses of child care and transportation, her income as increased by about \$40/month. When you consider some of the other costs to go to work like clothing; food for packed lunches; she may actually have less each month than if she had stayed on income assistance. Joan and many others like her, persevere and continues at her job. However, many people find that it only takes a sick child or receiving notice that your rent is increasing to make the decision to go back to income assistance.

If Joan had other options for jobs that pay a higher wage or if the pay gap was reduced so that in her job as secretary, she might possibly earn as much as a truck driver (a job which would be difficult for her given her child care responsibilities), she might actually be able to climb out of that mineshaft into a place of security, good health and feel included in our community.

There are many other stories that we could share with you this morning - the picture of poverty in our province is not pretty. The stress of trying to meet the challenges of every day living on a low income can lead to physical and mental health issues. The costs associated with social programs will continue to rise if we do not address some of the problems within our systems. UCSN supports legislation that will bring about pay equity because it addresses poverty; corrects and injustice to women and we know from the presentation by the Advisory Council on the Status of Women yesterday, that it also makes good economic sense for our province. We also urge you to consider other critical factors in addressing the pay gap

including raising the minimum wage to one that reflects the cost of living. We need to change our thinking from one of setting a wage level at the bare minimum to one that would be considered a living wage. Closing the pay gap is one way that our province can address a systemic issue and help to reduce the levels of poverty in New Brunswick.

We would like to conclude our presentation with remarks from Don Uhryniw who has recently joined our organization.

As a new member of the Urban Core Support Network of Saint John, and as a new resident of New Brunswick, I feel honoured to be able to share with you my support for Bill 77, and am gratified that the democratic process has within its capacity the ability to receive input from a variety of sources.

I am also here with a sense of sadness that in a progressive country such as ours economic justice between men and women is not yet a reality. I am sure that we are all aware that, by and large, economic injustice—that is, poverty—is an issue primarily for women and children. I am not a sociologist or a social worker, both of who are better equipped to provide you with background resources in this area. But I can tell you, as an ordained minister serving at Centenary - Queen Square United Church, a store front ministry in Uptown Saint John that poverty, in very painful and real ways, affects women and children. In the Christian tradition, when one part of the body of Christ suffers, all of the parts suffer; the wholeness we are called to by our Creator can only be achieved when all members of the community are whole.

Poverty fractures community. So with the perpetuation of economic injustice communities will remain fractured, and wholeness will elude us. And this is not what I believe constituencies ask of their elected officials. I believe that the people of New Brunswick seek healthy communities and economic justice. And that they expect their elected officials to demonstrate leadership in this regard.

It is my understanding that economic justice between men and women is part of the Public Sector of the Province. It would seem to me that it is a fundamental human right that all people are equal, and their work, whether it be in the private or the public sector, should be of equal value. To permit people to be employed in the private sector and to say that their work, and they themselves, are of less value, is an invitation to injustice. Furthermore, we recall that poverty is an issue affecting primarily women and children, and pay equity is one means of addressing the issue of poverty, or economic injustice, in our midst.

Healthy communities are formed by healthy people: people who are economically, emotionally, spiritually, and socially healthy. The wholeness that communities are called upon to pursue can only become possible when all parts of the community are held in equal value.