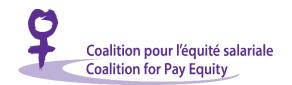
# Women cannot afford to wait any longer Pay Equity in the Private Sector in New Brunswick

New Brunswick Coalition for Pay Equity

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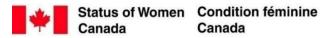
#### New Brunswick Coalition for Pay Equity

The New Brunswick Coalition for Pay Equity is a group of individuals and organizations that educates and advocates for the adoption and the implementation of adequate legislation in order to achieve pay equity for all workers in both the public and private sectors.

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#### **EXECUTIVE SUMMARY**

The New Brunswick Coalition for Pay Equity has been advocating for the adoption and implementation of legislation in order to achieve pay equity – equal pay for work of equal value – for all workers in both the public and private sectors. Our research has demonstrated that voluntary measures to implement pay equity have not been successful. We must amplify women's voices to find solutions to key systemic barriers contributing to pay inequity in New Brunswick's private sector. This research is the first stage of our *Empowering Women for Community Action* project.

#### Participation of women in the workforce

While women are socialized to choose certain types of jobs, these are often undervalued and underpaid when considering the responsibilities, qualifications, working conditions and effort required. Statistics confirm that women face wage discrimination in the labour market. Even though men and women now participate in the paid work force at similar rates and women have higher levels of educational attainment, the wage gap persists throughout their lives. Female workers are more likely than men to work minimum wage jobs, hold multiple jobs, and work part-time.

#### Pay equity is a human right

Several international conventions ratified by Canada establish pay equity as a fundamental human right. The question is how to make this right a reality for women and men holding female-dominated jobs in New Brunswick.

#### The New Brunswick Experience with Pay Equity in the Private Sector

A systemic solution to pay equity is necessary to ensure that the value of female-dominated jobs is reflected in wages. New Brunswick has encouraged voluntary measures to achieve that goal with its 2005-2010 Wage Gap Action Plan and pay equity pilot projects for the care-giving sector from 2008 to 2012. However, these voluntary measures have not produced the expected results. The New Brunswick *2009 Pay Equity Act* only regulates the public sector and does not apply to the 65 per cent of New Brunswick women working in the private sector. No legislation has been passed yet for the private sector in spite of the lack of progress in pay equity. Legislation with well-defined methodology and tight timelines is essential for the private sector.

## Private Sector Pay Equity Legislation in Other Canadian Jurisdictions

Only two provinces have adopted proactive pay equity legislation for the private sector: Ontario and Quebec. The federal government has complaint-based legislation (the *Canadian Human Rights Act*) but it is planning to adopt a proactive pay equity act by the end of 2018.

#### Women's Economic Security and Partner Violence

Pay inequity contributes to women's poverty and low income, which makes women more vulnerable and likely to enter and stay in abusive relationships. We consulted women who stayed in a transition house in the past and saw a link between women's wages and their ability to leave an abusive relationship.

## Focus Group Analysis

Hearing from women diversely affected by pay inequity helps us to understand how it impacts people differently. The information gathered showed that while many confused pay parity and pay equity, all considered that female-dominated jobs were often undervalued. They emphasized education as a key component for change.

## Conclusion

Pay equity is a human right. Making links between pay inequity, gender discrimination, poverty and domestic violence in New Brunswick furthers our understanding of how these issues intersect. Now we can move forward with concrete solutions to respect the human right to equal pay for work of equal value. Pay equity legislation, along with education, can be powerful tools to ensure pay equity in the private sector. By amplifying women's voices for pay equity, we can help bring about systemic change to ensure pay equity in all work sectors. Women cannot afford to wait any longer.

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#### 1. Introduction

For the past 16 years, the New Brunswick Coalition for Pay Equity has been educating and advocating for the adoption and implementation of adequate legislation in order to achieve pay equity for all workers in both the public and private sectors.

The Coalition advocates for proactive legislation that puts the onus on employers and not employees to demonstrate that wages are equitable or inequitable. It must ensure that employers provide pay equity in the workplace and demonstrate they have complied with the requirements of the law. New Brunswick has legislation that covers the public sector, although its implementation has been slow. Now we need legislation that covers the private sector, including for-profit and not-for-profit agencies that rely on public funds. Pay equity not only improves our economy and quality of life, it is a fundamental human right. Currently, no pay equity law protects NB's private sector employees. That is important since the majority of New Brunswick women in the labour force—70 per cent—were employed in the private sector in 2015 (Women's Equality Branch, 2016). Ontario and Quebec are the only Canadian provinces that have pay equity laws applying to both the public and private sector.

Pay equity is equal pay for work of equal or comparable value; it is the value of jobs traditionally and predominantly held by women. The majority of New Brunswick women may not be receiving a fair wage because they are employed in fields traditionally dominated by women, which are often undervalued thus underpaid. Regardless of factors such as work experience, qualifications, effort and working conditions, work done primarily by women is often not compensated as equitably as the work done by men. Pay inequity contributes to the gender pay gap, which is interconnected with economic performance. On the global scale, 54 per cent of women participate in the formal economy compared to 81 per cent of men even though they work three times as often as men in contribution to their family enterprises and are twice as likely to work part-time (World Economic Forum, p. 30). Women's educational gains have not translated into comparable economic gains.

The issue we will address is pay inequity in the private sector in New Brunswick and the need to amplify women's voices to call for solutions to address systemic barriers to pay equity in the private sector.

#### 2. Definitions

#### 2.1 What is pay equity?

In Canada, pay equity is defined as equal pay for work of equal or comparable value. Pay equity is about recognizing the value of jobs predominantly or traditionally held by women. Female-dominated jobs have been historically undervalued and underpaid in contrast to male-dominated jobs. Pay equity requires an evaluation and comparison of the work performed in female-dominated and male-dominated jobs in order to address issues of pay discrimination. The

comparison between female-dominated and male-dominated jobs is accomplished based on four factors: skill or qualification, responsibility, effort and working conditions. Such a process often finds that female-dominated jobs are underpaid. A female-dominated job which is comparable in value to a male-dominated job must be subject to the same pay rate. For example, if the value of a secretary's job (traditionally done by women) is the same as that of a technician's (a job mostly done by men), the pay should be the same.

Pay equity is often confused with pay equality or pay parity, which refer to "equal pay for equal work". Pay parity is achieved when women and men doing the same job are paid the same. The right to pay parity is enshrined in article 4 of the *New Brunswick Human Rights Acts* (2011) which stipulates that: "no employer shall discriminate against any person in respect to employment or any term or condition of employment because of sex."

## 2.2 Pay Equity is a Human Right

Several international conventions ratified by Canada establish pay equity as a fundamental human right.<sup>1</sup> The United Nations Declaration of Human Rights—the first expression of the inherent rights of all individuals—was adopted by members of the general assembly in 1948 and includes the right to equal pay for equal work (Article 23b). The first legally binding international declaration on pay equity was first introduced by the International Labour Organization (ILO) in 1951(Young, 2002). *Convention (No. 100) Concerning Equal Remuneration for Men and Women Workers for Work of Equal Value* built on the United Nations' declaration on pay parity and added equal pay for work of equal value. The following year, Canada ratified *Convention (No. 111) Concerning Discrimination in Respect of Employment and Occupation*, requiring nations to adopt a national policy to eliminate discrimination on the basis of, among other things, sex. As a member nation, Canada has the obligation to ensure national law and practice conform to the convention (p. 24).

Federal and provincial pay equity legislation should not only reflect Canada's constitutional and legislative approaches to pay equity, but its international obligations to gender equality and human rights (p. 23). At the federal level, pay discrimination is prohibited by the *Canadian Charter of Rights and Freedoms* as well as the *Canadian Human Rights Act*, which sets out a complaints-based model of pay equity that applies to both the private and the public sector (p. 2). These measures are insufficient in ensuring pay equity. Rather than proactively requiring

<sup>&</sup>lt;sup>1</sup> The Equal Remuneration Convention, 1951 (also called Convention 100), passed by the International Labour Organization (ILO) and ratified by Canada in 1972. The International Covenant on Economic, Social and Cultural Rights, ratified by Canada in 1976. The Convention on the Elimination of all forms of discrimination against women, passed by the United Nations (UN) and ratified by Canada in 1981. Nairobi Forward-Looking Strategies for the Advancement of Women passed at the Third UN Conference on Women, ratified by Canada that same year. The Beijing Platform for Action and the Copenhagen Declaration on Social Development and Programme of Action of the World Summit for Social Development, ratified by Canada that same year.

employers to assume responsibility for pay equity, they require employees to submit a complaint against their employer. A proactive law shifts the responsibility from employees to employers in seeking a collective solution for all affected individuals rather than redressing unlawful discrimination for the benefit of a singular individual's complaint. Furthermore, the Act only guarantees pay equity to employees of federally regulated employers.

In 2009, the federal government passed the Public Sector Equitable Compensation Act (PSECA), which redirects pay equity complaints through collective bargaining (Section 4(2)(b) of *Public Sector Equitable Compensation Act*), effectively curtailing human rights as the basis for pay equity even though the courts have recognized that pay equity is a fundamental human right (Kruth, 2014). PSECA has never come into force since the complementary regulations were not adopted, but it has not been repealed yet either.

While Canada has ratified the above international conventions, the prevailing gender wage gap demonstrates that without proactive measures, Canada fails to take required measures and spend sufficient resources to ensure pay equity. In a review of Canada's human rights performance by the United Nations Human Rights Committee in 2015, the country was taken to task for the persistent gender inequalities, especially as it relates to the wage gap (Human Rights Committee, 2015). The Committee calls on Canada to ensure all provinces "adopt a legislative framework on equal pay, covering the public and private sectors" (p. 2). This further substantiates the need for additional proactive legislation where focus is placed on assisting employers to comply with pay equity laws rather than individual complaints of discrimination (Cornish, 2012).

#### 2.3 The Gender Wage Gap

Pay inequity contributes to the gender wage gap. However, the wage gap is not an accurate measure of pay inequity because it is only one of the factors that contribute to the wage gap. Despite decades of social progress and anti-discrimination legislation, the majority of women still earn less than men. The United Nations' latest human rights report on Canada substantiates this persisting gap in equality (United Nations, 2015). The report expresses concern over the persisting inequalities between women and men in terms such as the pay gap, which disproportionately affects low-income women, minorities and indigenous women. It attributes this problem, in part, to the lack of comparable pay equity legislation in all provinces, for both the public and private sectors (p. 2).

According to the *PwC Women in Work Index 2016*, in closing the wage gap and increasing female participation in the work-force, Canada could see a \$105-billion in GDP growth. In New Brunswick, the cumulative effect of closing the wage gap by women earning a higher wage would represent more than \$688 million in increased taxes and savings for the federal and provincial governments (Akbari, 2004). Pay equity would improve profitability, workplace culture and the economy.

In 2015, there was an hourly wage gap of 11.2 per cent—New Brunswick women earned on average 88.8 per cent of what men earned (Women's Equality Branch, 2016). Today New Brunswick has the fourth smallest wage gap among provinces in Canada, with a national average of 14.1 per cent (p. 87). Even though women working in historically male-dominated fields such as management positions and natural and applied sciences have better wages, they still earn less on average than their male counterparts. Women outnumber men in lower-paying jobs because employers in predominantly female fields pay women less, which accounts for a percentage of the gender wage gap. However, men that are employed in historically female-dominated fields such as the service industry, tend to earn more than women do (p. 85). In all occupations detailed by Statistics Canada, women were paid less than men with the exception of nursing, where men are paid \$0.80 less in hourly wages than their female colleagues (Statistics Canada, 2016).

Not all women encounter the same pay disparities in the work force. See Table 1 for differences in median annual income <sup>2</sup> for men and women of different groups, such as racialized women and Aboriginal peoples. Supplementary laws on diversity and employment equity should be adopted in conjunction with pay equity legislation in order to correct additional forms of inequality and discrimination.

	Men (25 to 54)	Women (25 to 54)
Aboriginal	37,617	33,871
Non-aboriginal	47,895	34,112
Visible minority	38,676	29,157
Non-visible minority	49,789	34,963
First-generation immigrant	40,962	29,758
Non-immigrant	49,611	35,099

#### Table 1. Median annual employment incomes in 2011 (National Household Survey, 2014)

The gender pay gap calculated using average hourly wages instead of weekly earnings provide great accuracy because it reflects compensation rather than the amount of work. Table 2 shows the evolution of the hourly wages for male and female New Brunswickers over the past five years.

	2013	2014	2015	2016
Both sexes	20.63	20.82	21.43	21.87
Males	21.88	22.06	22.72	22.82
Females	19.42	19.62	20.18	20.95

Table 2: Average hourly wages (Statistics Canada, 2017)

<sup>2</sup> Median income: the level of income at which half the population has higher income and half has lower income. Median incomes in the data tables are rounded to the nearest hundred dollars. In 2003, there was an hourly wage gap of 17.5 per cent in New Brunswick and 17.7 per cent in Canada (Women's Equality Branch, 2016). A study by economist Ather Akbari (2004) attributed 80 per cent of the gap to gender-based labour market discrimination since it was unexplainable by factors such as education, experience and productivity. Researchers reached similar findings in a 2016 study on earnings of post-secondary graduates in Canada (EPRI, 2016). They found that the differences in earnings between men and women were attributable to the following factors: differences in growth in different disciplines, working hours, work experience and like Akbari, labour market discrimination (p. 25).

In an analysis of the gender pay gap in Canada, Baker and Drolet (2010) found that the proportion of the wage gap that cannot be attributed to the differences in measurable data such as education, productivity, and experience has increased over time. Among provinces with pay equity legislation, a study by professor of economics, Dr. Tammy Schirle (2015) found that New Brunswick had the largest unexplained portion of the wage gap at 71 per cent (p. 13). While the explainable portion of the wage gap increased over time for most provinces, New Brunswick is the only province in which the unexplained portion increased over time despite reducing its gender wage gap (p. 14). The unexplained portion includes both discrimination and gender characteristics and so it is unlikely to decrease if it continues to rely solely on time.

#### 3. Participation of Women in the Workforce

Over the past few decades, New Brunswick women's participation in the work force has changed dramatically, as highlighted by Women's Equality Branch (2016):

Women's participation in the paid work force has increased dramatically over the past 30 years – remaining stable at around 59-60% over the last decade – while men's participation has declined slightly. In 2015, 59.1% of New Brunswick females 15 years and over were employed or seeking employment, up from 39% in 1976. The same trends are noted Canada-wide, but national female and male labour force participation rates are slightly higher (p. 72).

In fact, women now account for 50% of the work force in New Brunswick. The gender unemployment gap tends to be larger in high-unemployment provinces such as New Brunswick (Moyser, 2017). Higher unemployment rates for men in the province are a function of highseasonality industries. As a result, the greatest gender unemployment gaps are found in the Atlantic Provinces: Newfoundland and Labrador (4.2 percentage points), New Brunswick (3.7 percentage points) and Nova Scotia (2.4 percentage points). The gender unemployment gap is virtually absent in low-unemployment provinces (p. 31).

Standard employment—which refers to full-time and year-round work, one employer, and benefits—represents the normative model of (white) male employment in Canada in the post-World War II era (Cranford, Vosko, and Zukewich 2003). This model, which demarcates the

workplace as the men's sphere and the household as the women's sphere is no longer applicable to the modern family structure due to women's increased participation in the labour force. The types of employment that fall outside of these characteristics, otherwise known as non-standard forms of employment (NSFE), primarily employ women in generally low wage jobs that offer little or no job security (Townson, 2003). More women are employed in NSFE jobs such as part-time, temporary, contract work and self-employment than men. It contributes to the wage gap and reduces women's financial security. A lack of better employment opportunities, lack of accessible and affordable childcare and family caregiving responsibilities leaves women with few options. In 2000, the latest amalgamated data on non-standard work, NSFE represented 40 per cent of Canadian women's paid work compared to 27 per cent men's jobs (Townson, 2000).

Statistics confirm that women get less out of the labour market than men. More female workers work at minimum wage jobs: 7 per cent of all New Brunswick female employees (10,300 women), compared to 5 per cent of all male employees (8,200 men) (Women's Equality Branch, 2016). Even though men and women participate in the paid work force until the age of 24 at similar rates and continue to have similar, even higher, levels of educational attainment (p. 72-74), the wage gap persists throughout their lives. Experience and education alone are not sufficient in increasing their salaries.

Lower wages are also often attached to precarious and part-time work. As a result, women also make up 63 per cent of multiple job holders in 2015 (p. 75). They are more than twice likely than men to work part-time: 26 per cent women versus 12 per cent men (p. 71). As one might expect, women's traditional roles at home influence their choices: 14 per cent of women work part-time because they were caring for children or because of other personal or family responsibilities compared to very few men. However, it is important to note that 30 per cent of part-time female workers said that "they could not find full-time work or worked part-time due to economic conditions" (p.72).

Even though there's little difference in employing part-time or non-standard employees between the private and public sector, NSFE jobholders are predominantly female. Because of the perpetuation of the gender pay gap, there's a greater need for pay equity legislation as a mechanism of regulation. Pay equity legislation for the private sector is required to ensure that women's wages are not left to the discretion of their employers.

#### 3.1 Traditionally Female Fields

Over the past decades, women's lower salaries have often been justified on the basis that they were supplementary income for the household, men being the main breadwinners. Women were also segregated to specific jobs and often found themselves in service occupations, which required skills that were seen as an extension of their work at home and subsequently overlooked

in determining their salary. As a result, traditionally female occupations were, and still are, undervalued and underpaid. The value assigned to a job varies by gender. However, even men working in predominantly female occupations tend to get paid more than their female colleagues (Women's Equality Branch, 2016).

In line with the International Labour Organization's research on societal norms and stereotypical gender perceptions, the 2004 Federal Pay Equity Task Force report found that the social perception of female characteristics has a negative effect on the value attributed to women's work. It quotes the Organization for Economic Co-operation and Development (OECD) as saying that "the greater the similarity between jobs and the work partly carried out free of charge in the home, the greater the devaluation." (p. 27). For example, women working in the caregiving field fall victim to this historical undervaluation of traditional female jobs. The social expectation is that caregiving work is "women's work" and will be performed at a low wage out of compassion. There is also a false perception that caregiving work does not contribute to the economy and requires low skills, responsibilities and effort (p. 15). Historically, the labour market established wages in terms of these discriminatory perceptions which still persist today.

Working women continue to cluster in "female jobs" that historically have been affected by pay inequity. In 2015, female workers in New Brunswick were still concentrated in specific fields such as health (83 per cent) and business, finance & administration (71 per cent) (Equality Profile 2016, p. 28). Furthermore, women made up 72 per cent of workers in educational services, health care and social assistance, accommodation and food services, and public administration (p. 83). Women are socialized to choose these jobs and their work in these fields are often undervalued and underpaid when considering the required responsibilities, qualifications and skills, working conditions and effort.

This is a trend across Canada. According to Canadian analyst Melissa Moyser (2017), in 2015, 56 per cent of women work in what she calls the 5 c's: caring, clerical, catering, cashiering and cleaning) (p. 23). Moreover, the proportion of Canadian women working in predominantly female jobs is an upward trend. According to a study by Statistic Canada (2017), it has increased from 35.4 per cent in 1976 to 59.6 per cent in 2015. The three sectors dominated by women (56.1 per cent) are health and social assistance, teaching, and lodging and restauration whereas men only made up 13.1 per cent of these fields.

#### 3.2 Women's Poverty

In 1996, the New Brunswick Advisory Council on the Status of Women highlighted that pay inequity contributes not only to the hourly pay gap between women and men (p. 8), but also to women's low income and poverty (p. 11). According to Women's Equality Branch (2016), poverty has been going down over the past years: 14.4 per cent of women and 12.0 per cent of

men live in poverty today, as defined by the Market Basket Measure, <sup>3</sup> compared to 16.9 and 15.8 per cent in 2002, respectively. Nevertheless, people living with a low income <sup>4</sup> are disproportionately women at a rate of 16.7 per cent in 2013 compared to 13.1 per cent of men (Women's Equality Branch, 2016). Overall, low income women represent one in 6 New Brunswickers. In 2013, women's total income was 67 per cent of men's median annual income at \$26,400 (p. 45).

The consequences of pay inequity are felt throughout women's lives and reduce their life opportunities. Female seniors are at the highest rates of poverty because they have not had the same workforce opportunities as men – or the same pay cheque. As a result, their pensions are lower. They live longer and so they must stretch less money for a longer period of time. Female seniors are among the most disadvantaged in our society (Province of New Brunswick, 2017). In 2013, they represented the largest group (38.4 per cent) living in poverty in New Brunswick (p. 50).

#### 3.3 Unionization, pay equity legislation and family leave benefits

There are strong indications that unionization helps to reduce the gender wage gap by increasing wage fairness and eliminating income inequalities. Unionized workers' salaries are not left up to their employers' sole interest, but negotiated by their respective unions and in the case of New Brunswick public sector employees, bolstered by the *Pay Equity Act, 2009*. Even in the absence of legislation, unions sometimes negotiate for pay equity and the necessary job evaluation process. As a result, unionized female workers earn on average \$6.65/hour more than their non-unionized counterparts. This translates into \$552.50 million more paid to Canadian women every week (Canadian Labour Congress, 2014). In 2015, the wage gap between New Brunswick men and women with union coverage was much smaller (2 per cent) than for non-unionized workers (18 per cent) (Women's Equality Branch, 2016).

Other factors contribute to lower discrimination in the workplace. McInturff and Tulloch (2014) studied pay difference between the public and the private sectors in Canada. They showed that gaps in the wages of women, aboriginal workers and visible minority workers were always larger in the private sector. Table 2 shows the annual employment incomes of men and women from various minorities in Canada. They concluded that "[s]alaries are higher in the public sector precisely for those groups of people who experience the greatest discrimination in the private sector – because the public sector goes further in correcting those discriminatory practices" while "[s]alaries are lower in the public sector for the groups least likely to experience discrimination on the basis of race and sex" (p. 5). Discrimination, they argued, was reduced by higher rates of

<sup>&</sup>lt;sup>3</sup> The Market Basket Measure is a "measure of low income based on the cost of a specific basket of goods and services representing a modest, basic standard of living" (Statistics Canada, 2017b).

<sup>&</sup>lt;sup>4</sup> Low-income individuals are identified according to the after-tax low-income measure (LIM-AT). In 2010, low income represents an after-tax household income that falls below 50% of the median adjusted household after-tax income. (Department of Finance, 2011)

unionization, legislated monitoring and regulation of pay equity, and better family leave benefits. Unionization rates have declined among men, but have remained stable at 31% for women since 1981 (Galarneau, 2013). It is important to consider that the majority of the workforce in the private sector is not unionized, and thus less likely to earn fair wages. A proactive pay equity law for private sector workers that applies to all unionized, non-unionized, full-time, part-time, casual, seasonal and temporary employees is necessary to ensure everyone is paid a fair wage.

## 3.4 Education

Does education improve pay equity? New Brunswick women have not only reached educational parity but even surpassed their male counterparts. In secondary schooling, education levels have improved significantly for both males and females since the 1980s with women taking the lead in high school and postsecondary graduates (Women's Equality Branch, 2016). Women continue to be well represented in post-secondary figures (e.g. 58 per cent of university enrolment in 2012-2013). In 2011, 12 per cent of New Brunswick women and 9 per cent of New Brunswick men had university degrees, doubling the number of female degree holders in 1986 (p. 21).

The same is true for Aboriginal women in New Brunswick for they tend to be better educated than their male counterparts even though Aboriginal women and men graduated from high school at the same rate (National Household Survey, 2011). According to research analyst Paula Arriagada (2016), half of Aboriginal women aged 25 to 64 had a postsecondary degrees. In comparison, almost two-thirds (65 per cent) of non-Aboriginal women had a postsecondary qualification (p. 15).

In spite of their broad access to education, social norms and discrimination make women more likely to be segregated in particular industries and occupations. Regardless of the type of post-secondary institution, female students are still concentrated in traditionally female-dominated areas of study such as education (75 per cent), health (78 per cent), and clerical jobs (90 per cent)(Women's Equality Branch, 2016). The concentration of women in certain fields alone does not account for the wage gap because female-dominated occupations tend to be undervalued and underpaid. While women have improved their economic situation through higher education, they still do not reap its full benefits (McInturff & Tulloch, 2014).

A study conducted by the Education Policy Research Initiative tracking graduate students earnings following their graduation in 2005 found there was a small pay gap between men and women in the first year following graduation, but that it widened over time (p. 24). The gender earnings gaps were greater in the following fields: Social Sciences, Business, Science & Agriculture and Engineering. For example, female Health and Humanities graduates tended to start with higher average earnings than men, but men's earnings grew faster over the years and eventually surpassed women's earnings (p. 24). The study found that the following factors precipitated these gender patterns: male-female distribution across disciplines with different growth rates, women choosing to work fewer hours or week because of family obligations, diminished earning potential due to reduced work experience over time, and labour market discrimination (p. 25).

Gender concentration starts in education and maintains the feminization of certain professions. Encouraging women to pursue higher-wage occupations such as male-dominated fields of science, technology, engineering, and mathematics (STEM) would contribute to lessening the gender wage gap, but the continued devaluation of female-dominated fields and the unconscious biases that persist must also be addressed primarily through pay equity legislation.

#### 4. The New Brunswick experience with pay equity in the private sector

A systemic solution to pay equity is necessary to ensure that the value of women's work is reflected in their wages. New Brunswick women, organizations and unions have advocated for pay equity legislation since the 1980s. The *Pay Equity Act* was sanctioned in 1989 and applied only to part 1 of the public sector, i.e. the governmental departments. Renewed calls for an all-encompassing legislation began at the end of the 1990s and led to the foundation of New Brunswick Coalition for Pay Equity in 2001. By virtue of public awareness and political action, the provincial government passed *Pay Equity Act, 2009* which applies to parts 1 to 4 of the public (government departments, school system, hospital services and Crown Corporations).

Current legislation notwithstanding, the majority of women in the labour force are not ensured fair wages by law. Since the *2009 Pay Equity Act* only regulates the public sector, 65 per cent (103,000 workers) of New Brunswick women worked in the private sector and were not covered by the *Act* (Women's Equality Branch, 2016). Private sector employers include universities, non-profit organizations, municipalities and private businesses. As of December 2016, businesses with 50 employees and more made up less than 5 per cent of New Brunswick businesses (table 3). However, these 1,204 companies employ 68% of workers in the private sector.

	Companies in New Brunswick
1 to 4	14,518
5 to 9	5,453
10 to 19	3,457
20 to 49	2,150
50 to 99	691
100 to 1999	306
200 to 499	144
500 plus	63

Table 3: Canadian business counts (Statistics Canada, December 2016)

New Brunswick's economic growth plan (Government of New Brunswick, 2016) emphasizes the importance of attracting private-sector investment based on the strength of the province's business climate. It argues that an environment fertile to private-sector investments will encourage local investments in the economy and in its workforce.

Since 70 per cent of New Brunswick female employees work in the private sector (Women's Equality Branch, 2016), pay equity activists advocate for broader legislation to cover the private sector. While there is still no legislation for the private sector, a number of initiatives have been undertaken to address pay equity outside the public sector. This section provides an overview of these initiatives and their results.

## 4.1 Wage Gap Action Plan

In 2002, Margaret Ann Blaney, Status of Women Minister, held a round table on the wage gap with representatives from various organizations, including all provincial employers' associations. Of all the participants, the Coalition for Pay Equity, the Advisory Council on the Status of Women and the New Brunswick Federation of Labour were the only ones with an unequivocal commitment to women and workers' rights. The Wage Gap Roundtable presented its report in 2003, which included a recommendation to try voluntary measures for five years and to consider legislation if results were not satisfying. The Coalition and the NB Federation of Labour put forward independent recommendations asking the government to adopt a law on pay equity and to develop a strong education campaign as soon as possible.

In June 2005, Margaret Blaney released her Wage Gap Action Plan in response to the Roundtable's recommendation. The five-year action plan outlined four goals: to change societal attitudes, to increase the sharing of family responsibilities, to reduce the job clustering of women and to increase the use of pay equity practices (Province of New Brunswick, 2005). From 2005 to 2010, the government initiated pay equity programs within the caregiving sector. It also developed a human resources designation pilot program titled *Equality At Work*, which relied on public recognition as an incentive for employers to implement pay equity and wage gap strategies in the workplace.

Progress reports on the Wage Gap Plan were released consecutively in 2007, 2008 and 2009. The government established three indicators to assess pay equity developments: the number of employees paid according to equitable pay systems, the wage gap between the ten most common traditional male and female jobs, and the hourly wage gap. None of the progress reports actually gave information on the number of employees being paid according to equitable pay systems, but the 2008 one revealed that according to the Employer Survey 2008, only 24.9 % of the 5,501 New Brunswick employers who responded had "a written, formal gender-neutral process of evaluating jobs done by men and women based on things such as skill level, effort, responsibility

and working conditions" (Province of New Brunswick, 2008). The hourly wage gap went from 14.3% in 2005 to 14.1 in 2008.

At the writing of this report, the final report was never made public – and maybe was never written. The progress reports show no visible or conclusive results in pay equity. The pilot program titled *Equality At Work* was quietly abandoned. In spite of the Round Table's recommendation to adopt legislation if voluntary measures were not sufficient in obtaining pay equity, no legislation was adopted for the private sector.

The Coalition noted that, in Quebec, where pay equity for the private sector was legislated, 82 per cent of private employers who implemented pay equity programs said that they did so because it was mandated by the law as reported by the Commission de l'équité salariale du Québec (2006).

## 4.2 Bill 77

In an effort to improve understanding of pay equity and increase support for legislation, the New Brunswick Coalition for Pay Equity asked law professor Louise Aucoin to draft a model proactive pay equity bill. In June 2004, the leader of the New Democratic Party Elizabeth Weir introduced it as *Bill 77* at the Legislative Assembly. Carmel Robichaud, Liberal MLA, seconded the introduction of the bill (Gautreau & Perron, 2014).

The Bill's preamble highlights that pay equity is a fundamental human right, one that has been internationally recognized. The purpose of this Act is to redress differences in compensation that are due to systemic gender discrimination against persons who hold employment in predominantly female job classes. *Bill 77* includes a pay equity assessment process to identify job categories and fair pay and to calculate pay adjustments and payment modalities. The bill was to apply to both the private and public sectors.

It was sent to the Law Amendment Committee, which received written submissions and held public hearings in November 2004. Most presentations and briefs were in favour of Bill 77<sup>5</sup> and highlighted its benefits. However, employers' associations stated that while they supported the concept of pay equity, legislation would be too costly and would not get the desired results. Some claimed that its universal application to employers with fewer than ten employees—which are excluded in Quebec and Ontario's pay equity legislation—would be detrimental to small businesses but pay equity expert Paul Durber argued that it was quite feasible (2004).

In December 2005, the Law Amendment Committee released its report and concluded with the recommendation to pursue the voluntary *Action Plan on the Wage Gap* rather than adopt the Bill. However, should the voluntary measures result in limited progress, it left the door open for the

<sup>&</sup>lt;sup>5</sup> The briefs are available on the Coalition's web site: <u>http://www.equite-equity.com/briefs.cfm</u>

adoption of proactive legislation in the future: "Should these measures only result in limited progress, your Committee acknowledges that pay equity legislation for both the public and private sector[s] may be the necessary solution to eliminating the wage gap" (p. 9). No legislation has been passed yet for the private sector in spite of the lack of progress in pay equity.

## 4.3 Pilot Projects in the Private Caregiving Sector

The caregiving sector has always been a traditional female-dominated field, and therefore undervalued and underpaid. In New Brunswick, a large part of caregiving services are offered by the private sector but mandated by the provincial government and largely dependent on government funding. The private caregiving sector in the province employs approximately 12,000 workers, the majority of which are women, (Coalition for Pay Equity, 2016) and workers in the Early Childhood Education and Care (ECEC) sector totals approximately 4,000 employees (Province of New Brunswick, 2016). Similarly to the home support sector, the childcare workforce is overwhelmingly female at 96% (Halfon, 2014). Their wages are consistently low even when compared to other female dominated professions or similar training (p. 8).

In a workforce survey of employers and employees in the ECEC sector, the Child Care Human Resources Sector Council (CCHRSC) found that in New Brunswick, program staff made a median hourly wage of \$13.50 and \$15.00 for program director. (CCHRSC, 2013) These wages are the lowest in Canada, second only to Nova Scotia (\$12.84 and \$17.56 respectively) (p. 17).

Starting in 2008, the provincial government began pay equity pilot projects for selected private caregiving sectors. Over the following five years, it evaluated jobs in nursing homes, child-care centers, home support agencies, transition homes and community residences. These are all workplaces without male comparators, so a special methodology to identify external comparators was necessary. The nursing home workers were already unionized. Their jobs were evaluated during an internal equity exercise as negotiated in their collective bargaining agreement. The results were positive. The other four groups, mostly non-unionized, followed a different process. They were compared using a methodology adapted from Québec. The results were very low wages: between \$12 and \$15 an hour for workers who had no additional management duties.

The Coalition analyzed the process and concluded that the methodology used by the government was flawed and demonstrated that wages should have been much higher (Blaney et al., 2014). In order to get an external perspective, the Coalition also enlisted the services of economist Ruth Rose to review the process used by the province. Rose (2014) found flaws in the province's methodology especially with the determination of the male comparator's wages and the value of their work, which resulted in lower wages for the care-giving female-dominated jobs. She denounced the government for deliberately distorting the pay equity exercise in order to reduce costs to the government who had promised to fund the pay equity gap. Her analysis showed that equitable pay for the evaluated care-giving workers should have been around \$20 and \$24 for their supervisors in 2012 (table 4).

The government's pilot projects in the caregiving demonstrated the importance of legislation to ensure appropriate methodologies are used to evaluate pay equity in fields without male comparators, especially in the private sector and the "grey area" of what could be considered the "parapublic" or "broader public" sector—services mandated by the government but offered by the private sector. The pilot projects also raised awareness of pay equity among workers. Most were deeply disappointed in the results and did not necessarily understand the problematic methodology, but they understood that their jobs were undervalued compared to male jobs.

Job Category		Points	Existing Average Rate	Fair Hourly Rate	Adjustment Identified
CHILD CARE	Administrator/Primary Child Care	751	\$16.33	\$24.27	\$7.94
	Primary Child Care	590	\$13.32	\$19.97	\$6.65
	Support Worker	491	\$10.00	\$17.33	\$7.33
	Foreman	751		\$24.27	
	Maintenance Worker	387		\$14.56	
шт	Home Support Worker	558	\$11.00	\$19.93	\$8.93
HOME	Foreman	718		\$24.27	
SU F	Maintenance Worker	360		\$14.56	
	Crisis Intervener	601	\$13.37	\$20.91	\$7.54
SE	Child Support Worker	601	\$13.85	\$20.91	\$7.06
TRANSITION HOUSE	Outreach Worker	670	\$19.20	\$22.64	\$3.44
TION	Support Worker	606	\$15.64	\$21.03	\$5.39
ANSI <sup>-</sup>	Foreman	735		\$24.27	
TR	Maintenance Worker	348		\$14.56	
	Service Provider (Adults)	575	\$11.95	\$19.72	\$7.77
	Supervisor/Service Provider (A)	756	\$15.23	\$23.88	\$8.65
COMMUNITY RESIDENCES	Service Provider (Children)	592	\$14.87	\$20.11	\$5.24
	Supervisor/Service Provider (C)	773	\$18.57	\$24.27	\$5.70
	Foreman	827		\$24.27	
	Maintenance Worker	350		\$14.56	

Table 4: Fair hourly rates resulting from pay equity exercises with a wage of \$14.56 for the Maintenance Worker and \$24.27 for the Foreman and with a reduction of the points accorded the Foreman (New Brunswick, 2012).<sup>6</sup>

<sup>&</sup>lt;sup>6</sup> The average rates are those applicable as of March 31, 2011 in the case of the first three sectors, and as of March 31, 2013 in the case of the community residences, while our assessment of the fair rates applies to 2012. These different dates must be taken into account when the wage adjustments are determined.

The chronically low wages in the private care-giving sector have a detrimental impact on the economic prosperity of the mostly female workers, as well as their families and communities. Redirecting women to predominantly male fields is not a satisfying solution. Pay equity legislation for all fields would benefit all workers regardless of their chosen profession. This is particularly prescient for the caregiving sector where in spite of the high demand for qualified workers, there is still a high turnover and stagnant low wages (Coalition for Pay Equity, 2016). Obviously, the law of supply and demand does not work.

#### 4.4 Political Parties' Last Platforms

In the past decades, pay equity has been at the forefront of the modern political discourse. Political parties were compelled to address the question of pay equity and include it in their party's platform during the last provincial elections. All political parties disclosed their plans to address and tackle pay equity in the event they would win the election.

The Progressive Conservative Party, led by David Alward, was already in power in 2014 and promised to continue its work on implementing pay equity measures in government and supporting private businesses achieving pay equity (Progressive Conservative Party of New Brunswick, 2014). No new measures or legislation were proposed.

Brian Gallant, the leader of the Liberal Party and the winner of the 2014 provincial election, said his party not only supported pay equity, but sought to improve the methodology used to measure pay equity (Coalition for Pay Equity, 2014). The Liberal platform included its commitment to fully implement the 2009 Pay Equity Act in all areas of government, including Crown Corporations, and to require companies with over 50 employees who do business with government through procurement or financing programs to implement pay equity plans (New Brunswick Liberal Party, 2014).

For its part, the New Democratic Party supported the implementation of pay equity legislation for the private sector. NDP leader Dominic Cardy said that if elected, pay equity would be implemented in stages—the public sector first, then the private sector at the end of his term (New Brunswick NDP, 2014).

While the Green Party of New Brunswick did not mention pay equity legislation for the private sector in its 2014 platform (Green Party of NB, 2014), its leader, David Coon, publicly supported legislation for both public and private sectors in a statement released during the campaign:

It's time to stop studying pay equity and start implementing legislation to ensure that the private sector pays women a fair and equitable wage based on equal pay for different work of the same value (Green Party of NB, Sept. 2014)

#### 4.5 Recent Developments

The New Brunswick Liberal Party came to power in 2014. The Women's Equality Branch has since been researching ways to implement the promise to require pay equity plans from companies with over 50 employees who do business with government through procurement or financing programs. As of today, no announcements were made yet as to how the government would fulfill this promise.

On the positive side, the full implementation of *Pay Equity Act, 2009* is almost completed in parts 1, 2 and 3 of the public sector. The government has not yet begun the pay equity process for bargaining units representing teaching and institutional services and care, nor for non-unionized workers. Table 5 summarizes the evaluations that have been completed. Crown corporations subject to the law have not yet completed the process. The overall progress shows the importance of legislation, and the long implementation delays suggest that better legislation with well-defined methodology and tighter timelines would be essential for the private sector.

Group	Not Yet Started	Process Underway	Evaluations In Progress	Evaluations Complete	Male Comparators Evaluated	Inequity (Yes/No)
Lab & Medical						No
Court Stenographers				$\checkmark$	$\checkmark$	Yes
Admin Support, Pt II				$\checkmark$	$\checkmark$	Yes
Teachers	$\checkmark$					
Prof Support, Pt II				$\checkmark$	$\checkmark$	Yes
Nursing					$\checkmark$	Yes
Nursing Supervisory					$\checkmark$	No
Para Medical				$\checkmark$	$\checkmark$	Yes
Specialized Healthcare				$\checkmark$	$\checkmark$	Yes
Institutional Services And Care (CUPE) Part I	$\checkmark$					

Table 5: Pay Equity in the Public Service (Coalition for Pay Equity, 2017)

#### 5. Private Sector Pay Equity Legislation in Other Canadian Jurisdictions

Pay equity legislation for public sector employees has been enacted in six provinces (Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, and Prince Edward Island) and policy frameworks for negotiating pay equity in the public sector has been established in three (British Columbia, Saskatchewan, and Newfoundland and Labrador) (Shirle, 2015). Only two provinces have adopted proactive pay equity legislation for the private sector: Ontario and Quebec. As mentioned earlier, the federal government has complaint-based legislation (the Canadian Human Rights Act) but it is now planning to adopt a proactive pay equity act. This section provides an overview of current private-sector legislation in Canada.

#### 5.1 Ontario

Ontario was the first province to adopt comprehensive pay equity legislation back in 1987. The *Pay Equity Act* is proactive in its application—all employers are required to identify inequities in their pay practices and rectify the gaps found. All public and private sector employers with ten or more employees must comply with the Act (*Pay Equity Act*, Part II, Section 13.4). The Pay Equity Commission (PEC) was created alongside the Act to investigate and resolve complaints. It can also initiate pay equity audits of workplaces.

The *Pay Equity Act* allows pay comparisons to be made across occupations, allowing for pay adjustments in jobs where there are no male comparisons. In 1993, an amendment to the Act was adopted to allow the "proportional value" method to be implemented when job-to-job comparisons are not possible, i.e. when there are no male jobs of the same value. A proxy method of comparison was also introduced for broader public sector workplaces where there are no male jobs. It allows for the comparison of female job classes to other female job classes in another public sector establishment that has achieved pay equity (Singh, 2010).

The Act is still not universally applied because the PEC is under-resourced and cannot ensure the compliance of all employers, especially in the private sector (p. 11).

## 5.2 Quebec

The National Assembly of Quebec unanimously passed the *Pay Equity Act* in 1996. The Act applies to companies with 10 of more employees. It established the Pay Equity Commission which was recently amalgamated with the *Commission des normes de l'équité, de la santé et de la sécurité du travail*.

The Commission issued a detailed report in 2006, as required by the Act. It reported that by its tenth anniversary in 2006, a third of compliant businesses had identified, and rectified a wage gap. As a result, 28 per cent of employees who were employed in traditionally female-dominated occupations received a wage adjustment. On average, employees received a 6.5 per cent wage adjustment and employers who had to undergo wage adjustments were predominantly non-unionized (Commission de l'équité salariale du Québec, 2006).

The report showed that about half of the businesses had complied with the Act by 2006. The Commission attributed this fairly low compliance rate to the deep cultural and organizational change required. It argued that the Commission needed to maintain and share up-to-date expertise with employers, employees and unions to support this level of systemic change. It also noted that small businesses often do not enlist the services of human resource managers and do not have a formal pay structure. The Act forced them to adopt new management practices which they often found beneficial. Finally, the report highlighted that costs of pay equity programs

were not a significant burden to employers. <sup>7</sup> The Commission concluded that its future directions should include providing more support to businesses and promoting pay equity as a strategic management tool.

After 2006, the government of Québec continued to support pay equity and made a few changes to the Act. Since 2011, new regulations require yearly pay equity reports from private sector employers. At the end of March 2017, 88% of the 31,966 employers required by the law to implement pay equity exercises declared having done it (Déclaration de l'employeur en matière d'équité salariale, 2017) There are still issues with compliance. A lot of discussions now concern the maintenance of pay equity: the Act mentions that employers must maintain pay equity over time but there are disagreements on how to do it.

## 5.3 Federal Level

As mentioned earlier, the current federal pay equity legal framework is provided by the Canadian Human Rights Act and is complaint-based. However, the Government of Canada established a Pay Equity Task Force in June 2001 to review pay equity legislation at the federal level. It was mandated to make recommendations to ensure greater clarity in the way pay equity was implemented in the modern workplace. It submitted its final comprehensive report to the Ministers of Justice and Labour in May 2004 after extensive research and over 55 submissions from interested parties across Canada, including the New Brunswick Coalition for Pay Equity.

The Task Force recognized the failures of the Canadian Human Rights Act in protecting female workers employed in the postal services, telecommunications, banks, and other areas that fall under federal jurisdiction. Its report recommended the enactment of stand-alone proactive pay equity legislation with a provision for the maintenance of pay equity and the involvement of unionized and non-unionized workers in the process of achieving pay equity. It advocated for a proactive model with comprehensive coverage, adequate institutional support and training, obligations for maintenance, and pay equity oversight agencies equipped to support compliance.

In its report, the Pay Equity Task Force makes 113 recommendations, including (p. 503):

- Replacing the current complaint-based model of pay equity with new stand-alone, proactive legislation which would frame pay equity as a fundamental human right;
- Expanding the coverage of pay equity legislation to cover all federally-regulated employers, including Parliament and federal contractors;
- Extending pay equity protection to members of visible minorities, persons with disabilities and Aboriginal people;
- Requiring all employers to develop and implement a pay equity plan;

<sup>&</sup>lt;sup>7</sup> The average salary adjustment in private businesses was 6.5 per cent and 28 per cent of salaried workers in predominantly female occupations received a wage adjustment (p. 13).

Women's groups and unions overwhelmingly supported the Task Force report, but political changes meant that it did not lead to further action on the part of the federal government until recently. The Harper government adopted the *Public Sector Equitable Compensation Act* but no regulations, which meant that the Act never came into force, to the relief of women's rights groups and unions.

In February 2016, the House of Commons adopted a motion introduced by NDP MP Sheila Malcolmson and created a committee appointed to conduct hearings on the matter of pay equity and to propose a plan to adopt a proactive federal pay equity regime. The Special Committee on Pay Equity presented the *It's Time to Act* report on pay equity to the House of Commons in June 2016. The following are some of its recommendations to the Government of Canada:

- Repeal the Public Sector Equitable Compensation Act;
- Draft proactive pay equity legislation within 18 months of the tabling of this report;
- Accept the overall direction of the 2004 Federal Pay Equity Task Force report;
- Adopt the majority of the report's recommendations.

In October 2016, the Federal Government presented its response to the House of Commons Special Committee and promised to adopt proactive legislation on pay equity by the end of 2018. This further delay poses a concern to women's groups and unions who worry that it may not allow enough time for the future bill to go through all the steps necessary to become law before the next federal election.

## 6. Women's Economic Security and Partner Violence

Pay equity not only has an impact on gender equality in the workplace, but its repercussions can be felt at home. Domestic violence has a great economic impact on women's financial wellbeing. Lower wages make women more vulnerable to entering and staying in abusive relationships (New Brunswick Government, 2004, p. 9). A lack of fair resources make it more difficult to leave an unsafe situation.

The *New Brunswick South Central Transition House* worked in collaboration with *Services ruraux pour femmes victimes d'abus du Nouveau Brunswick* (the "Réseau") to produce and administer a questionnaire to women who stayed in a transition house in the past. Its goal was to determine a link between women's wages and their ability to leave an abusive relationship. Together, the two organizations coordinated the translation and dissemination of the questionnaire. The questionnaire gathered information on the intersectionality of poverty, pay inequity, and the vulnerability to intimate partner violence.

The data and narrative were collected by 13 transition houses and second stage facilities in New Brunswick in April and May of 2017. The questionnaire compiles socio-demographic

information, short answer questions and narrative questions. It was administered to 52 women who had used the services of one of the shelters in the past. Respondents filled in the questionnaire on their own or worked with shelter staff to review it.

## 6.1 Initial Analysis

The participants to the project range between the ages of 20 and 69 years of age. Of the 52 respondents, 8 are Francophone and 44 are Anglophone. but this is not an accurate representation of the demographics in New Brunswick. According to the 2016 census, 69 percent of New Brunswick speak English at home and 28 per cent speak French. Only two women didn't have children and on average, women had two children.

## 6.2 Female Dominated Jobs

The women listed the last six jobs they held. Of the 131 jobs listed, 109 were predominantly female jobs and only 22 were male jobs. The jobs include home support workers, shop clerks, cashiers, housecleaning, and hair dressers. Others were laborers, bookkeepers, teacher's assistants or realtors. Others worked in banks, call centers or provincial government agencies.

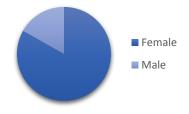


Table 6: Female and Male Dominated Jobs

The majority of the jobs were in predominantly female fields in the private sector. The lack of pay equity legislation in the private sector means they are unlikely to receive a fair wage. Out of 125 jobs, 103 jobs (which roughly translates to 83%) were non-unionized in the private sector. In both sectors, only 13 jobs were unionized and approximately half were in the public sector.

Predominance	<b>Private Sector</b>	<b>Public Sector</b>	Total
Female	95	14	109
Male	21	1	22
All jobs	116	15	131

#### Table 7: Gender Predominance in Public and Private Sector Jobs

Of these jobs, 80 were full-time positions and 45 were part-time. According to Debrah Westerburg, the coordinator of the questionnaire, women in abusive relationships often turn to casual or part time work so they can monitor what is happening with their partner at home. These are often minimum wage level jobs with very little or no benefits. A full time or demanding jobs would make it more difficult for her to juggle the needs of her abusive partner. Approximately 57% (71) of the jobs detailed above were at minimum wage level and 31% (39) were between the minimum wage and \$15 an hour and only 14 jobs paid above. The mothers felt unsure or unsafe about leaving their children with their abusive partner. Day care is often not an option while working at this pay level. Low pay also affects women's self-confidence, as one said:

"It takes away your feeling of self-worth. Single moms sacrifice their own health for their children."

#### 6.3 Impact of Low Wages

Income is not a factor for a women's risk of spousal or non-spousal violence (Canadian Center for Justice Statistics, 2013). Even so, women occasionally stay in an abusive relationship because they are financially dependent on their partner—leaving may be a choice between violence and poverty. In fact, 31.9 per cent of New Brunswick women who don't live in an economic family <sup>8</sup> live in poverty (Equality Branch, 2016). Children in female lone-parent families are more likely to live on a low income; 54.9 per cent as opposed to 8.8 per cent that live in couple families (p. 53).

"As a woman, when you make low wages and you're in an abusive relationship, most of the time you have no choice but to stay, because you can't make it on your own."

If a woman leaves an abusive relationship, her finances usually suffer. As a result, she often ends up depending on her abusive ex-partner for the financial resources required for her children. This continues the cycle of power and control. At times, abusive partners ruin their partner's relationship with their family to isolate them. The survey found that when planning to leave, women's wages or income affected their ability to pay the necessities of life (see table 7).

	Yes	No
rent an apartment	43	8
pay the bills	49	3
support their children	39	10

\*Please note that some responders may not have answered

#### Table 7: Impact of Income

Low wages also have consequences on women's circumstances in an abusive relationship. There are common threads through the narrative questions of the questionnaire. These include an impact on the quality of life, concern about the effect on children, difficulty balancing finances, low self-esteem, desire to be independent, and concerns about finding safe housing. Out of the 52 respondents, 36 said that their low income affected their decision to stay in an abusive relationship and 24, their decision to return to an abusive relationship.

"It keeps us in the abusive relationship even after we leave because of financial insecurity. It gives the abusive partner power over us."

Better and fair wages would change women's lives in considerable ways. Many respondents said a better wage would have allowed them to leave the abusive relationship earlier and it would have helped create a better environment for their children. Women felt that if they had a sustainable wage, they wouldn't have to live in fear of failing and needing to return to the

<sup>&</sup>lt;sup>8</sup> An economic family refers to a group of two or more persons who live in a single household and are related to each other by blood, marriage, common-law, adoption or a foster relationship.

abusive relationship. Not having enough financial stability worsens an already difficult situation.

"It makes you feel it is better to stay in a bad situation than go on your own, even when you know you would be better off mentally and physically on your own."

## 7. Focus Groups Analysis

Pay equity is an issue that concerns all women—directly or indirectly. Hearing from women diversely affected by pay equity helps us to understand how it impacts people differently. Women took part in focus groups to gather qualitative data on their experience with pay equity. Group discussions were held with Unionized workers from Unifor Canada (Bell Aliant and Air Canada divisions), and young feminists in the Fredericton area. Transition house workers from Services ruraux pour femmes victimes d'abus du Nouveau Brunswick filled out a written questionnaire.

The objective of gathering contrasting types of participants is to get as many different ideas and perspectives as possible on common themes. The value of the information gathered was dependent on defined objectives such as their understanding of pay equity, obstacles to pay equity and possible solutions.

## 7.1 Knowledge of Pay Equity

There was very little understanding of pay equity across all three focus groups. Most participants confounded pay parity for pay equity. Only activists could identify and define the term and its implications.

"Pay equity makes a difference if I'm going to live in poverty or not. Whether I can buy my own groceries or have to utilize the food bank."

Once the participants understood pay equity, they were able to identify the role it plays in the lives of women—and their own. Many transition house workers recognized that since they work in a predominantly female job, they are underpaid and undervalued. Several participants talked about how pay equity is not only about wages, but also the undervaluation of women in the workplace.

## 7.2 Obstacles to Pay Equity

All participants believed jobs that are predominantly female are underpaid and are not valued. One obstacle to pay equity said one participant, is employers refusing to raise their female employees' wages. Fair wages, explained others, would allow women to better care for their families, lift themselves out of poverty, and leave abusive relationships. Other participants agreed that women need to start better valuing themselves, too.

"Power is not distributed, it is taken. We need to eliminate the word "just" from our vocabulary. You're not "just" as mom, you're a mom."

Participants across all focus groups believe that bias against predominantly female jobs stems from the undervaluation of women's natural abilities. Since society believes women don't need learned qualifications or physical abilities to exercise those jobs they explained, those jobs aren't valued or fairly remunerated.

"Legislation that mandates it is only way [pay equity] will happen."

Transition house workers placed a part of the blame on government inaction and budget allocations. There is not pay equity legislation, they explained, since the government does not recognize women's vital work for the well-being of the community.

"There's a lack of political will from our government to recognize work that is essential to the well-being of society."

## 7.3 Solutions to Pay Equity

Participants proposed different solutions across all focus groups. Yet, each group spoke about the need to overcome ignorance about pay equity itself. The lack of understanding is an obstacle but knowledge is the key to achieving pay equity. Women need to be part of the solution.

"It's important for women to run for office because the more they run, the more barriers break down."

Many spoke about the importance of educating the public. For example, knowing which company hasn't achieved pay equity. One participant suggested involving male allies in the education because pay equity affects them too.

"We need to educate ourselves AND the public."

Transition houses participants doubled down on the importance of allocating government funds to correct pay inequity. Others underlined the importance of recognizing the need and importance of the work predominantly done by women to change discriminatory practices.

"We need to invest more money in pay equity programs and recognize it's an important issue."

Several participants across different focus groups acknowledged the importance of raising awareness from a young age in order to mold young people's attitudes about predominantly female occupations. They want to encourage young people's active participation in the process and listen to their suggestions. As a solution, young feminists recommended reaching out to the youth especially through social media. "Young people are our future, we should involve them in the process, listen to them, and educate them to help change attitudes to promote equality."

Pay inequity touches all women, whether or not they recognize it. All women are subject to historical discrimination, either in the form of low wages at work, or under-valuation at work. As demonstrated through focus groups, most women are not aware of pay inequity and its consequences. It is only through education and mobilization that women are able to help redress this inequity. By amplifying those voices, identifying obstacles and producing solutions, together, we can help bring about systemic change to ensure pay equity in all work sectors.

## 8. Conclusion

Pay equity is a fundamental human right. However, pay inequity persists for many New Brunswickers—and Canadians—working in predominantly female jobs.

Pay inequity contributes to the overarching gender wage gap. In 2015, New Brunswick women earned on average 88.8 per cent of what men earned—an hourly wage gap of 11.2 per cent. Pay inequity also contributes to poverty. Furthermore, our research with past clients of transition houses shows that low income increased the difficulty of leaving an abusive relationship. By rectifying inequities in pay due to the historic undervaluation of women's work, we can help to close the wage gap which disproportionately affects low-income women, minorities and indigenous women, and reduce poverty.

Legislation is a powerful tool to ensure pay equity. New Brunswick's experience shows that voluntary measures to ensure pay equity do not work. In Quebec, it's only following legislation mandating employers to implement it for their employees there was a significant increase in pay equity compliance—88 per cent of businesses had complied with the law by 2017.

New Brunswick's current provincial legislation, the *2009 Pay Equity Act*, only ensures pay equity for employees working in predominantly female jobs in the public sector. This leaves the majority of women (65 per cent) who work in the private sector without any provincially mandated pay equity protections. The delays in the current act's implementation suggest that legislation with well-defined methodology, tighter timelines, the creation of an independent body to oversee its application and sufficient funding would be crucial for the private sector. Moreover, a strong education component for both employees and employers is necessary since our focus groups showed a large misunderstanding about the concept of pay equity and its application.

It's only through proactive pay equity legislation and education that we will ensure fair wages for New Brunswick women. We must hold the provincial government accountable because women cannot afford to wait any longer.

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