# Investing in Equity

Brief submitted as part of the 2025-2026 pre-budget consultations

February 2025



## 2025-2026 Pre-Budget Consultation

We would like to thank the Honourable René Legacy, Minister of Finance, for the opportunity to present our perspective on the provincial budget. The New Brunswick Coalition for Pay Equity—a group of over 100 organizations and more than 1,000 individuals—advocates for the right to equal pay for work of equal value and fair working conditions for women. By recognizing the true value of jobs traditionally dominated by women, we seek to redress longstanding wage disparities.

The Liberal Party's electoral platform commits to strengthening both the economic and social fabric of our province. In response, our submission offers concrete, intersectional, and feminist-driven policy solutions designed to ensure that these commitments deliver meaningful outcomes for all New Brunswickers.

Our recommendations, reflecting the perspectives of women and those working in womendominated sectors, support Premier Holt's commitment to transparency and accountability. We've carefully considered the challenges raised in this consultation and aligned our proposals with the government's priorities.

Instead of adding to your workload, our solutions provide clear, actionable policies to implement your priorities:

- **The Economy** Investing in public services and extending pay equity to the private and care sectors
- Health care Investing in the wages of care workers
- Education Improving working conditions and wages of ECEs
- Affordability and housing Fully-funding transition houses

Thank you for your consideration.



## The Economy

### Fiscal responsibility

Balance the budget in each year of our mandate.

While we acknowledge and respect the government's goal of achieving a balanced budget, we are concerned that this could come at the expense of much-needed investments in New Brunswick's social infrastructure and public services.

This sentiment was reflected in the Liberal Party's electoral platform:

"Our province is full of resilient, creative, and compassionate people. Yet far too many are struggling under the weight of a broken system that has left them waiting for too long for care, for relief, and for the solutions they need to live their lives fully. It doesn't have to be this way."

We agree with the need for comprehensive policies to address the challenges New Brunswickers face, and there are several proposals the government has put forward that could help remedy these issues, which we will detail later.

However, achieving these goals may require temporarily prioritizing investment over a balanced budget, especially in light of the current economic uncertainties and external challenges, such as those posed by the evolving situation in the United States. Now is the time to strengthen New Brunswick's economic and social infrastructures for long-term stability and prosperity. Austerity measures may provide short-term fiscal balance, but they risk exacerbating the challenges faced by New Brunswickers and families, particularly those relying on public services. The price of maintaining a balanced budget is often paid by the most vulnerable in our communities. Over the past years, budget cuts and lack of critical investments have led to declines in the quality and availability of essential services, including child care, health care, and long-term care. Additionally, workers in certain critical sectors have faced stagnant wages, further straining both service delivery and the well-being of our communities.

New Brunswickers have long faced the consequences of budget cuts and underinvestment in critical public services. To address these challenges, the government must prioritize meaningful investment in our people and in the public services we all rely on. By doing so, we can not only begin to repair and strengthen the systems that support New Brunswickers but also lay the foundation for a more resilient and prosperous future for the province.



#### Addressing workforce needs

Phase in pay equity in the private and care sector, using a model similar to Quebec and Ontario.

The government's pledge to extend pay equity to the private and care sectors marks a historic milestone for New Brunswick, being the first legislative commitment of its kind by a sitting government. To effectively develop and implement the government's commitment to extend pay equity, it is essential to leverage the existing expertise of the Pay Equity Bureau. This approach will ensure a timely and proficient rollout of the new legislation.

Established under the *Pay Equity Act, 2009*, the Pay Equity Bureau oversees the implementation and maintenance of pay equity within New Brunswick's public sector, including the provincial civil service, schools, hospitals, and Crown corporations. Currently, the Bureau is only resourced at the equivalent of one full-time employee—a staffing level insufficient to deliver on the government's pledge to extend pay equity, which was reiterated in the Speech from the Throne, and four mandate letters.

We recommend increasing the Pay Equity Bureau's budget by at least \$400,000 to enhance its financial and human resources.

Investing in the Pay Equity Bureau will empower it to:

- Conduct comprehensive research to identify and develop the most effective model for New Brunswick.
- Engage in meaningful consultations with stakeholders to gather diverse perspectives.
- **Draft effective legislation** that extends pay equity to the private sector.
- **Develop practical tools and resources** to assist employers and employees in evaluating and ensuring pay equity within their organizations.
- Offer guidance and support to employers and employees committed to implementing pay equity.

This proactive approach will help prevent future legal challenges and costly remedial actions. By strengthening the Pay Equity Bureau, the government reaffirms its commitment to fulfilling its electoral promise and ministerial mandates, thereby enhancing public trust and credibility. Adequate funding not only enables the government to honour its legislative obligations but also promotes a more equitable and prosperous economy, benefiting all New Brunswickers.



#### **Health care**

#### Care at home and long-term care

- Ensure all existing nursing home beds are accessible by filling staffing gaps by investing in wages for personal support workers and resident attendants ultimately resulting in increased hours of care.
- Review and update the process and standards for home care allocation and invest in increased wages for homecare workers.

The government's priorities regarding long-term care reflect its understanding that the availability of these services depends on a stable and qualified workforce, and that the recruitment and retention of workers hinge on the quality of those jobs. Yet low wages and poor working conditions make it increasingly difficult to attract and retain workers, a challenge that will only intensify with an aging population and growing demand. As a result, hundreds of seniors who cannot receive care at home or in long-term care (LTC) facilities are forced to live in hospitals, further straining an already overburdened health system. Strengthening the care sector and its workforce is the most effective way to improve timely access to health care and reduce costs in the long run.

The more than 11,000 workers who make up the community care sector in New Brunswick are primarily women. It is also a sector that has long been undervalued and underpaid. Yet these jobs entail a high degree of responsibilities, qualifications, effort, and often difficult working conditions.

Table 1. The community-based care sector in New Brunswick in numbers (2023)

|           | Home Care<br>Services | Special<br>Care Homes | Community<br>Residences | Family Support<br>Services | Employment and Support Services Programs |  |
|-----------|-----------------------|-----------------------|-------------------------|----------------------------|--|--|
| Employers | 55                    | 364                   | 85                      | 39                         | 38                                       |  |
| Users     | 9,300                 | 5,863                 | 595                     | 1,633                      | 1,273                                    |  |
| Workers   | 4,200                 | 4,500                 | 1,000                   | 1,100                      | 400                                      |  |

The government has recognized the need to invest in care worker wages and has committed to extending pay equity to the private sector, explicitly including care services. This sector is uniquely positioned, having already made significant progress in the pay equity process. With the collaboration of employees and employers, the New Brunswick Coalition for Pay Equity has conducted evaluations for Personal Support Workers (PSWs) and Home Support Coordinators (HSCs) across six care services.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> NB Coalition for Pay Equity. (2020). The Value of Care: Pay equity maintenance in home care, transition houses, and community residences.



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These studies determined that equitable wages should range from \$26.46 to \$30.56 per hour. However, current wages remain far below this standard—ranging from \$19.38 to \$22.80 in 2024-2025—leaving a gap of \$6 to \$8.50 per hour.

Table 2. Current and equitable wages for six care services in New Brunswick (2025)

| Care services   | Jobs                             | 2024-2025<br>Current<br>wages | 2025<br>Indexed pay<br>equity wages | Wage<br>gap | Value of jobs |
|---|----------------------------------|-------------------------------|-------------------------------------|-------------|---------------|
| <b>Special Care Homes</b>                             | Personal                         | \$19.38                       | \$26.46                             | \$7.08      | 570           |
| Home Care Services                                    | Support<br>Workers               | \$20.40                       | \$26.46                             | \$6.06      | 570           |
| Community<br>Residences                               | Human<br>Services<br>Counsellors | \$22.05                       | \$30.40                             | \$8.35      | 677           |
| Family Support<br>Services (adults)                   |                                  | \$22.05                       | \$29.01                             | \$6.96      | 639           |
| Family Support Services (children)                    |                                  | \$22.05                       | \$30.56                             | \$8.51      | 681           |
| Employment and<br>Support Services<br>Programs (ESSP) |                                  | \$21.89                       | \$29.01                             | \$7.12      | 639           |

While yearly budget allocations have incrementally raised wages, they still fall short of reaching pay equity. In addition, the calculated equitable wages must keep up with the increasing cost of living to maintain the same purchasing power.

In the absence of a long-term strategy and implementation plan, wage increases risk being applied inconsistently and piecemeal, without ensuring parity across different occupations. As a result, worker recruitment and retention issues will worsen, and families will continue to struggle to access these essential care services. We believe that a coordinated approach is necessary to address these imbalances effectively.

Sector associations, led by the **Association of Human Service Counsellors of New Brunswick**, have developed a four-year plan to achieve pay equity by 2028, with indexed wage scales for seven key care services (Appendix A). This proposal offers a clear, reasonable, and achievable path to pay equity, maintaining fairness and parity across sectors as outlined in the Coalition's evaluations.

NB Coalition for Pay Equity. (2021). The Value of Care: Pay Equity in special care homes, ESSP agencies, and family support services.



To ensure equitable wages across the care sector, pay equity evaluations must extend beyond the personal care roles of PSWs and HSCs evaluated by the Coalition. While these positions are central to delivering care services, other vital women-dominated roles—such as administrative personnel, kitchen staff, maintenance workers, management, and others—also play an integral part in the smooth operation of care homes and facilities.

It is essential to evaluate all jobs to ensure that pay equity is reached throughout the sector, rather than benefiting only a select few. This approach will foster a more comprehensive, logical, and equitable system that recognizes the contribution of every worker to the well-being of care recipients.

To fulfill your government's commitments and ensure a sustainable care sector, we recommend improving wages and working conditions for care workers. This includes:

- Completing pay equity evaluations for all remaining care sector jobs.
- Developing and implement a long-term plan to reach pay equity.
- Investing in wages annually until pay equity is reached.
- Ensuring annual indexation of wage scales based on the consumer price index.

The quality of care depends on the quality of jobs. New Brunswickers deserve quality care—and that starts with fair pay for care workers. The time to act is now.



### **Education**

#### Helping kids get the best start

- ▶ Retain Early Childhood Educators (ECEs) by improving working conditions and increasing wages.
- Reduce the administrative and regulatory burden on childcare operators to enhance their ability to provide the best care possible for children.

Similar to long-term care, early childhood education services are vital components of our social infrastructure and economy. Research indicates that educational child care positively influences child development, enhances women's participation in the workforce, yields significant economic benefits, and improves social outcomes for children from disadvantaged backgrounds.

As with the care sector, the quality of early childhood education depends on fair wages and good working conditions for its educators and all personnel. This recognition is reflected in your platform and in the federal-provincial Early Learning and Child Care Agreement.

However, without evaluating all positions within child care services, it's impossible to determine the appropriate salary levels to ensure they are equitable. Pay equity evaluations would determine adequate and equitable wages for all workers in this sector. In turn, fair and equitable wages will attract qualified workers and help reduce staff turnover in this sector.

As future pay equity legislation will no doubt apply to child care services, we recommend proactively conducting pay equity evaluations now to guide informed investments in the 2025-2026 budget.

Furthermore, we strongly recommend prioritizing the creation of new child care spaces in public or non-profit facilities. Studies have shown that child care services in public or non-profit centres are generally of better quality in part because budget surpluses are directly reinvested in services. In addition, when a not-profit facility closes, clauses in its bylaws and regulations usually stipulate that property and resources be reinvested into another facility. In the case of private facilities, resources remain in the hands of the owners, regardless of the level of government investment.

However, we recognize that in New Brunswick, the majority of child care services are currently provided by the private sector and that the New Brunswick Early Learning Centre designation program, introduced in recent years, ensures good quality care. For this reason, we support public investment in **existing** day care spaces, whether they are in private or not-for-profit facilities. This will ensure the stability and continuity of child care services for New Brunswick families.



## Affordability and housing

#### A place to call home

Invest in long-term and sustainable core funding for transition homes and frontline domestic violence services, including women's shelters and additional support services.

Transition homes and frontline domestic violence services provide essential, often life-saving support for women and children fleeing abuse. Yet, they remain chronically underfunded, with the lowest wages in New Brunswick's community-based care sector.

In 2022, Transition and Second Stage Houses relied on fundraising for 23% of their revenue and grants for 15%, with only 62% covered by core provincial funding. No other critical public service—such as schools or police—is expected to fundraise to remain operational; domestic violence services should not be an exception.

Due to this inadequate funding model, the sector has not benefited from the wage increases seen in other care professions. The government cannot invest directly in the wages of transition house workers as budget allocations are left to the discretion of individual directors. The last adjustment—an 11% increase in 2018-2019, following a decade-long freeze—failed to address structural deficits or ensure fair wages. With no mandated salary scale, pay varies by home, leaving many workers earning as little as \$16/hour. A 2019 Women's Shelters Canada report identified New Brunswick as having the lowest wages in the country.<sup>2</sup> As a result, the sector faces high turnover, difficulty attracting qualified staff, and a lack of professionalization.

The New Brunswick Coalition for Pay Equity evaluated the job of "Crisis Intervenor" as part of its 2020-2021 pay equity evaluations for the care sector and found that they were not only the lowest-paid workers in the sector, but also faced the largest wage gap in achieving pay equity. This gap has only grown, with no budget increases for the sector and no system in place to track wages in transition houses.

Table 3. Current and Equitable Wage for Crisis Intervenors (2025)

| Care services      | Jobs                 | 2024-2025<br>Current wages               | 2025<br>Indexed pay<br>equity wages | Wage gap              | Value of jobs |
|--------------------|----------------------|--|-------------------------------------|-----------------------|---------------|
| Transitions houses | Crisis<br>Intervenor | Unknown<br>Approximately<br>\$16 to \$18 | \$30.36                             | \$14.36 to<br>\$12.36 | 673           |

<sup>&</sup>lt;sup>2</sup> Maki, K. (2019). "More Than a Bed: A National Profile of VAW Shelters and Transition Houses." Ottawa, ON: Women's Shelters Canada.



The predominantly female workforce in this sector, including crisis intervenors, administrative personnel, kitchen staff, and others, provides vital care and services to a vulnerable population, yet struggles to support their own families. This reflects a broader pattern of undervaluation in women-dominated fields. Without proper compensation, worker retention is compromised, which directly affects the quality and availability of services for survivors.

Additionally, outreach services are stretched beyond capacity, particularly in rural areas where workers cover vast regions and handle increasingly complex cases. Current government funding fails to cover wages, benefits, and necessary resources, further limiting service reach.

We recommend that the government secure sustainable funding to maintain service quality and workforce stability. This includes:

- **Ensuring core operational funding** for transition houses, second stages, and outreach programs.
- Establishing a funding envelope dedicated to raise wages and achieve pay equity for all employees.

Addressing these gaps is essential to ensuring the sustainability of domestic violence services and protecting the well-being of New Brunswick's most vulnerable.

The Coalition also supports the recommendations of New Brunswick's Domestic and Intimate Partner Violence Sector, which includes the **Domestic Violence Association of New Brunswick** and the **Réseau des services pour victimes de violence du Nouveau-Brunswick**.



#### **Our recommendations**

A prosperous, sustainable, and resilient province is founded on an equitable economy, a balanced fiscal system, and robust, well-funded social infrastructure.

The New Brunswick Coalition for Pay Equity urges the government to prioritize investment in critical social services and workers to ensure the long-term prosperity of the province. By ensuring the right to pay equity for all workers, improving working conditions, and strengthening the infrastructure of health care, education, and care services, we can create a fairer and more sustainable future for all New Brunswickers.

#### Our recommendations for the Government of New Brunswick's 2025-2026 budget:

- ✓ Increase the Pay Equity Bureau's budget by at least \$400,000 to strengthen its financial and human resources.
- ✓ Improve wages and working conditions for the care sector workforce:
  - Completing pay equity evaluations for all remaining care sector jobs.
  - Developing and implementing a long-term plan to achieve pay equity.
  - Investing in wages annually until pay equity is reached.
  - Ensuring annual indexation of wage scales based on the consumer price index.
- Conduct pay equity evaluations for the Education and Early Childhood Development workforce.
- ✓ Prioritize the creation of new child care spaces in public or not-for-profit facilities.
- ✓ Secure core operational funding for transition houses, second stages, and outreach programs.
- ✓ Establish a dedicated funding envelope to raise wages and achieve pay equity for Crisis Intervenors.

By adopting these recommendations, we can ensure that New Brunswick's social fabric is strengthened, leading to a more equitable and prosperous future for all its residents.



Appendix A. Proposal to Obtain Pay Equity in Community Care Sectors (2025 - 2028)

| Personal Support      | April 2023<br>Wage | April 2024<br>Wages       | Wage adjustments to achieve pay equity over four years |                          |                          |                          |
|-----------------------|--------------------|---------------------------|--|--------------------------|--------------------------|--------------------------|
| Worker                |                    |                           | 01/04/2025   | 01/04/2026               | 01/04/2027               | 01/04/2028               |
| Special Care Homes    | \$19.00            | <b>\$19.40</b><br>* 25.89 | <b>\$22.60</b><br>*26.66                               | <b>\$24.80</b><br>*27.47 | <b>\$27.00</b><br>*28.29 | <b>\$29.14</b><br>*29.14 |
| Home Support Services | \$20.00            | <b>\$20.40</b><br>*25.89  | <b>\$22.60</b><br>*26.66                               | <b>\$24.80</b><br>*27.47 | <b>\$27.00</b><br>*28.29 | <b>\$29.14</b><br>*29.14 |

| Human Service          | April 2023<br>Wage | April 2024<br>Wages      | Wage adjustments to achieve pay equity over four years |                          |                          |                          |
|------------------------|--------------------|--------------------------|--|--------------------------|--------------------------|--------------------------|
| Counselors             |                    |                          | 01/04/2025   | 01/04/2026               | 01/04/2027               | 01/04/2028               |
| Family Support Service | \$19.80            | <b>\$22.05</b><br>*29.90 | <b>\$25.00</b> *30.80                                  | <b>\$28.00</b><br>*31.72 | <b>\$31.00</b> * 32.67   | <b>\$33.65</b> *33.65    |
| Community Residences   | \$19.80            | <b>\$22.05</b> *29.75    | <b>\$25.00</b> *30.64                                  | <b>\$28.00</b><br>*31.56 | <b>\$31.00</b> *32.51    | <b>\$33.48</b><br>*33.48 |
| Transition Homes       |                    | <b>\$18.00</b> *29.61    | <b>\$22.00</b> *30.50                                  | <b>\$26.00</b><br>*31.41 | <b>\$30.00</b> *32.36    | <b>\$33.33</b> *33.33    |
| Attendant Care         | \$19.80            | <b>\$22.05</b><br>*28.39 | <b>\$24.55</b> * 29.24                                 | <b>\$27.05</b><br>*30.12 | <b>\$29.55</b><br>*31.02 | <b>\$31.95</b><br>*31.95 |
| ESSP Centers           | \$19.80            | <b>\$22.05</b><br>*28.39 | <b>\$24.55</b><br>*29.24                               | <b>\$27.05</b><br>*30.12 | <b>\$29.55</b> *31.02    | <b>\$31.95</b><br>*31.95 |

<sup>\*</sup> Pay equity salary adjusted to inflation rate of 3%

**Source:** Association of Human Service Counsellors of New Brunswick