Brief presented to the New Brunswick Child, Youth and Senior's Advocate

Consultation "The Right Thing, Right Now!"

July 2025



Introduction

We wish to thank the New Brunswick Child, Youth and Senior's Advocate for allowing us to present our perspective on the situation in the non-profit community sector as part of the consultation "The Right Thing, Right Now!".

The New Brunswick Coalition for Pay Equity is a group of over 1,000 organizations and over 1,000 individuals that promotes the right to pay equity and just working conditions for women. To that end, it engages in communication, education, research, and advocacy for the adoption and implementation of adequate legislation, as well as public policy dialogue and development.

Pay equity is "equal pay for work of equal value." To achieve it, the value of womendominated jobs must be compared to the value of men-dominated jobs.

The Coalition is currently working on a project called "Fair Wages and Working Conditions in the Community Non-Profit Sector." Our goal is to promote pay equity and fair working conditions in the sector by advocating for appropriate policies and practices within the sector, among its funders and government decision-makers.

To achieve this goal, we performed a literature review and consulted staff from non-profit community organizations throughout the province. We are also currently conducting a survey to better understand the realities on the ground and the obstacles to fair wages and working conditions that organizations have to overcome. This work will give us a more complete picture of the situation, and will allow us to put forward practical solutions.

Building on our experience as a community organization and on our project findings so far, we recommend:

- 1. Treating the precarious situation in the community sector as a gender equity issue;
- 2. Ensuring adequate and stable funding that reflects the sector's essential role;
- 3. Adopt a pay equity law for the private sector;
- 4. Adopt a law on pay transparency;
- 5. Integrating an inclusive gender-based analysis tool and adopting an intersectional approach when collecting data, evaluating policies, programs, and budgets involving the community sector.



Treat the Precarious Situation in the Community Sector as a Gender Equity Issue

The community sector, meaning non-profit organizations that offer services to the community, is a sector where women are the majority. In 2021, women represented 66% of the workforce in New Brunswick's community sector.¹ As is often the case in women-dominated fields, wages are low, averaging \$28,530 per year in 2019 compared the provincial average of \$48,373.²

In addition to low wages, working conditions are precarious:

- Limited access to employee benefits in addition to wages
- Regular unpaid work
- Few professional development or advancement possibilities
- Unpredictable work schedules
- Uncertainty regarding continuation of employment contracts

The sector relies on women, yet offers them lower incomes, little stability, and limited opportunities for advancement. Without fair wages and decent working conditions, workers in the sector have no economic security and cannot thrive. When the women in this sector do not thrive, our communities cannot thrive either. By maintaining precarious conditions for those who work in the sector, we undermine the quality and sustainability of community services.

At the heart of these challenges lies the sector's restricted, uncertain, and unpredictable funding system, which perpetuates these structural issues. The fact that the sector is deeply anchored in a charitable model means donors and government decision-makers rely on volunteers and precarious jobs to support vulnerable populations.

The precarious situation in the sector is not a coincidence. It is systemic discrimination. Roles traditionally associated with women – such as caregiving and community support – are often undervalued, leading to lower wages, reduced job security, and inadequate support.³

The gendered nature of the community sector underpins its chronic underfunding and undervaluing (Figure 1) and must be considered when developing solutions to overcome this systemic issue.

³ Ontario Nonprofit Network (ONN). (2018). Women's Voices Stories about working in Ontario's nonprofit sector.



¹ Statistics Canada. <u>Table 36-10-0651-01 Employment in the non-profit sector by demographic characteristics</u>

² Imagine Canada and ONN. (2021). <u>Get to know - New Brunswick's NONPROFIT SECTOR.</u>



Figure 1 Cycle of Inequities in Non-Profit Community Organizations

Our recommendations

- Treat the precarious situation in the community sector as a gender equity issue;
- Develop adequate solutions to eliminate systemic discrimination.

Ensure Adequate and Stable Funding that Reflects the Sector's Essential Role

The non-profit sector is often faced with underfunding and financial instability.⁴ In New Brunswick, community organizations rely on various sources for their operations. In 2022, 32.5% of these organizations' funding came from member fees and donations, while 31.3% came from government transfers.⁵ Since 2007, Statistics Canada has reported a constant decrease in revenue from member fees and donations, which was compensated by an increase in government funding.⁶

The data shows various sources of funding; however, it does not reflect the challenges associated with the strict conditions attached to these funds. Historically, and to this day, the sector relies largely on targeted financing, which is often tied to specific projects or specific results.^{5,6} This type of short-term funding limits an organization's flexibility and creates financial instability, undermining its ability to plan for the long term – even as demand for community services continues to grow.

⁴ ONN. (2018). <u>ONN Decent Work for Women – A literature review of women working in Ontario's nonprofit sector</u>.

⁵ Statistics Canada. <u>Table 36-10-0613-01 Production, income and outlay accounts of non-profit institutions (x 1 000 000)</u>

⁶ Thériault, L., McTiernan, H., and Gill, C. (2008). Resources and Challenges of Charitable Human Service Organizations in New Brunswick. *The Philanthropist Journal*, 21 (3), 210-233.

This financial instability also has direct repercussions for staff. Inadequate funding reinforces wage inequality and precarious working conditions in a workforce largely made up of women and marginalized groups, who directly provide support services to vulnerable populations.

To improve working conditions in the sector, and to ensure continuity of services, the government must offer funding that reflects the essential role that non-profit community organizations play in society. This means predictable, long-term funding for basic operations that respects the autonomy that organizations require to carry out their missions.⁷

With non-targeted, basic (or unrestricted) funding, organizations would be able to carry out their daily operations, plan their long-term activities without interference,^{5,7} enhance their organizational stability, and innovate and adapt their services to the evolving needs of the community.

Our recommendations

- Ensure adequate and stable funding for non-profit community organizations with the following features:
 - o predictability,
 - long-term funding,
 - basic operations support,
 - respect of organizations' autonomy in carrying out their mission.

Adopt a Pay Equity Law for the Private Sector

Pay equity is a human right and a question of social justice. A pay equity law eliminates wage discrimination. It compels employers to perform job evaluations that compare the value of jobs traditionally or predominantly done by women to those traditionally or predominantly done by men. If the jobs done by women are underpaid compared to the jobs done by men, the wages must be adjusted.

Job evaluations consider four factors: skills, responsibilities, effort, and working conditions. These evaluations allows us to address the systemic undervaluing of jobs held mostly by women – a key contributor to the gender wage gap.

New Brunswick passed the *Pay Equity Act, 2009*, which took effect in April of 2010 and applies solely to the province's public sector. The private sector (e.g., non-profit organizations, businesses) and the broader public sector (e.g., municipalities, universities, and the care sector)

⁷ Hall, M. H., & Andrukow, A., & Barr, C., Brock, K., Wit, M., Embuldeniya, D., Jolin, L., Lasby, D., Lévesque, B., Malinsky, E., Stowe, S., & Vaillancourt, Y. (2003). <u>A Qualitative Study of the Challenges Facing Canada's Nonprofit and Voluntary Organizations</u>. Study of the Challenges Facing Canada's Nonprofit and Voluntary Organizations. Canadian Centre for Philanthropy.

were left out of the picture, despite the fact that they represent 62% of working women in the province (excluding freelancers).⁸

In these sectors, women remain overrepresented in women-dominated jobs, which are often undervalued and underpaid – as is the case in the community sector (Table 1).

Staff Demographics	Number of Jobs	Average Hourly Wage	Wage Gap
Men	3,796	\$23.06	\$3.43
Women	7,398	\$19.63	φ3.43

Table 1 Pay gap in the non-profit community sector in 2021⁹

The absence of legislation in the private sector is unfair and must be rectified. Quebec and Ontario both have pay equity laws for the public and private sectors – it is time for New Brunswick to do the same. Advancing pay equity benefits everyone.

Our recommendations

- Implement a pay equity law for the private sector;
- Include specific provisions for workplaces where there are no male comparators, notably in the community sector.

Adopt a Law on Pay Transparency

Entrenched social standards regarding money and personal income have contributed to a culture of secrecy around wages. Although the *Human Rights Act* and the *Employment Standards Act* guarantee wage parity (equal pay for equal work regardless of gender, race or sexual orientation), it is practically impossible for workers in the community sector to verify if their employer respects the laws without having access to data on wages.

Our consultations with workers in the sector have shed a light on wage disparity. Because of a lack of transparency, many workers are forced to discreetly seek information on wages from their colleagues. Even when they uncover wage disparities, however, they often hesitate to discuss them openly with their employers for fear of being penalized.

A law on pay transparency would put an end to this culture of secrecy. It would help prevent and reveal baseless wage gaps between employees doing the same work or work of equal value. It would also allow sector workers to obtain data on wages that would allow them to identify and

⁹ Statistics Canada. Table 36-10-0651-01 Employment in the non-profit sector by demographic characteristics



⁸ Statistics Canada. <u>Table 14-10-0027-01 Employment by class of worker, annual (x 1 000)</u>

prove that there is gender-based pay discrimination in their workplace. The employer would also be accountable for persistent pay discrimination that negatively affects women and minority groups.

Our recommendation

• Pass a law on pay transparency

Integrate the Gender-Based Analysis Plus Tool (GBA+) and Adopt an Intersectional Approach

Gender is not the only factor that impacts work experiences. The intersection of several identities, such as race, ethnicity, religion, sexual orientation, ability, socioeconomic status, and migratory status also have an impact.^{10,11} Immigrant women, Indigenous women, racialized people, members of the 2SLGBTQIA+ community, and people with disabilities are often faced with additional systemic obstacles, which lead to inequalities in access to jobs, fair remuneration, and just working conditions.¹²

These inequalities can also be found in the non-profit community sector, notably regarding wage gaps between social groups, as shown in Table 2. Available data does not capture, however, the reality of people living at the intersections of several social identities (e.g., immigrant women, Indigenous women). This underscores the need for an inclusive, Gender-Based Analysis (GBA+) and an intersectional approach to data collection for the sector.

Staff Demographics	Number of Jobs	Average Hourly Wage	Wage Gap
Men	3,796	\$23.06	\$3.43
Women	7,398	\$19.63	
Immigrant	698	\$20.60	\$0.28
Non-immigrant	10,496	\$20.88	
Indigenous	446	\$19.86	\$1.04
Non-Indigenous	10,748	\$20.90	
Visible minority	864	\$19.32	\$1.67
Not a visible minority	10,331	\$20.99	

Table 2 Jobs in non-profit community sector in 2021¹³, by personnel demographics

¹³ Statistics Canada. <u>Table 36-10-0651-01 Employment in the non-profit sector by demographic characteristics</u>



¹⁰ Block, S., et Galabuzi, G. (2011). <u>Canada's Colour Coded Labour Market: The Gap for Racialized Workers</u>. Wellesley Institute, Canadian Centre for Policy Alternatives.

¹¹ Galabuzi, G. (2006). Racism and Racialized Women's Experiences in the Workplace. Dans *Canada's Economic Apartheid: The Social Exclusion of Racialized Groups in the New Century*, Canadian Scholars's Press, pp. 126–127.

¹² ONN. (2022). Volunteers and Decent Work: What's the Connection?

Inclusive Gender-Based Analysis Plus (GBA+), also called "Comparative Analysis by Sex", is a tool to prevent and eliminate structural discrimination between women and men, but also between different social groups. It evaluates how public policies, programs, and initiatives have an impact on different populations, based on factors such as gender, age, race, residence or language. The GBA+ is an essential component of an effective, evidence-based public policy.

By applying a GBA+ when collecting data in the community sector, the government will better understand the realities faced by people at the intersection of several identities. This deeper understanding is essential for developing public policies that are truly responsive to the specific needs of these workers and that help reduce systemic inequalities.

We urge the government to consider gender equality, as well as equality between social groups, when it collects data on the non-profit community sector and develops public policies and programs for this sector.

Our recommendations

- Integrate an inclusive Gender-Based Analysis at all stages of data collection, public policy development, and evaluation and budget preparation for the community sector;
- Publish results of the analysis.



Conclusion

A prosperous, sustainable, and resilient province depends on fully recognizing the value of work carried out in the non-profit community sector, where the majority of workers are women. This sector plays an essential role in economic development, social cohesion, and the quality of life in New Brunswick communities. Yet, it still faces structural precarity due to chronic underfunding, low wages, and inadequate working conditions for staff. This brief shows it is of utmost urgency and necessity to rectify these systemic inequalities.

The New Brunswick Coalition for Pay Equity urges the government to recognize the essential role that the non-profit community sector plays by implementing the recommendations it has put forward.

Our recommendations:

- Treat the precarious situation in the community sector as a gender equity issue;
- Develop adequate solutions to eliminate systemic discrimination;
- Ensure adequate and stable funding for non-profit community organizations with the following features;
 - o predictability,
 - o long-term funding,
 - o basic operations support,
 - respect of organizations' autonomy in carrying out their mission.
- Adopt a pay equity law for the private sector and
 - Include specific provisions for workplaces with no male comparators, particularly for the community sector
- Adopt a law on pay transparency
- Integrate an inclusive gender-based analysis at all stages of data collection, public policy development, and evaluation and budget preparation for the community sector;
 - Publish its results.

By following these recommendations, the government will not only correct a historic injustice, but will also ensure a fairer and sustainable future for everyone in the province. The Coalition is willing to collaborate actively in the next steps of this consultation process and will read with great interest the forthcoming report by the New Brunswick Child, Youth and Senior's Advocate.

