



A Good Jobs for All Coalition
Submission:
The Gender Wage Gap & Changing
Workplaces in Ontario

Submitted jointly to:

The Wage Gap Strategy Steering Committee

400 University Avenue, 12th Floor

Toronto, ON M7A 1T7

By email: GenderWageGap@ontario.ca

~ and ~

The Changing Workplaces Review

ELCPB, 400 University Avenue, 12th Floor

Toronto, ON M7A 1T7

By email: CWR.SpecialAdvisors@ontario.ca

January, 2016

The *Good Jobs for All Coalition* was formed in 2008 and brings together a broad base of more than 30 community and labour organizations in the Greater Toronto Area. We are working to develop strategies that affirm the values of a truly just society including equity, a healthy environment and decent employment.

As part of that work we seek public policies that put an end to conditions which are eroding equality in the labour market and endangering good jobs with decent working conditions, pay and benefits. Instead we seek policies that help build an economy with good jobs for all, now and for the next generation.

The current reviews of Ontario's *Employment Standards Act (2000)*, *Labour Relations Act (1995)*, *Pay Equity Act*, and *Human Rights Code* are a watershed moment. They have the potential to shift Ontario away from policies that have abetted the rise in precarious and low paid employment.

All four of these laws must be seen as a whole and work together in closing the gender wage gap, and ensuring equity and a solid floor of labour rights for all.

We urge both review panels and the government itself to keep the interests of working people uppermost in their mind as they finalize

their recommendations. We need everyone to muster the political will to mandate major changes in our employment and labour laws.

The Good Jobs for All Coalition supports the more detailed recommendations of a number of its member organizations including the Workers' Action Centre, Ontario Federation of Labour and Canadian Federation of Students-Ontario. We have chosen to emphasize the 8 recommendations that follow.

1. The Wage Gap: Introduce a Pay Transparency Standard

Ontario's gendered earnings gap of 31.5% is obviously unacceptable in this day and age. It is a contributing factor in women and children's higher levels of poverty and women's poverty in retirement. It also impacts on household earnings, on men's earnings when they work in occupations with high levels of female workers – and ultimately it impacts the finances of the province and the economy as a whole.

The gender pay gap is attributable to many factors, including:

1. Women's greater responsibilities in caring for children, sick and older family members.
2. Women are more likely to be employed in non-unionized, low paid and predominantly female occupations - especially women from racialized minorities. These include cleaning, catering, clerical, caring and retail work.
3. Continuing gender discrimination in job and training opportunities, pay systems and scheduling, compounded by racism and other forms of discrimination.

Although Ontario's Pay Equity Act requires employers to pay women the same as men for work of equal value as assessed in a pay equity evaluation, the gender pay gap persists.

Accordingly, we support the Equal Pay Coalition's call for a provincial commitment to closing the gap by 2025. In their submission they note that the vast majority of employers do not publish outcomes related to gender and employment, despite identifying that gender pay gaps exist. Compounding this problem is the lack of a standard to mandate employers to collect and share employee data disaggregated by gender, employment status (temporary, part-time, contract, full-time), and rank (supervisory, non-supervisory). Without this data, it is difficult to assess the causes and identify measures that could help mitigate the continuing pay gap.

Recommendation:
Develop and implement common criteria by which employers must report employee pay.

2. Extend the *Equal Pay for Work of Equal Value* Standard

The Employment Standards Act should be modernized to ensure:

- a) 'Equal pay for work of equal value' when there is a complaint that men and women should be paid the same. This is in keeping with the standard required by the *Pay Equity Act* and our International Labour Organization commitments.
- b) 'Equal pay for work of equal value' to require that workers classed as part-time, casual or contract and those employed through temporary agencies or temporary foreign work programs are paid the same rate as regular, full-time workers. This is essential given the rise in precarious employment and the extent to which this form of employment is leading us down the cheap labour road, threatening the livelihood of individuals and families, and jeopardizing the public purse that supports our social safety net and infrastructures.

Recommendation:
Amend the Employment Standards Act to provide an 'equal pay for work of equal value' standard for complaints of gender pay discrimination as well as complaints of discrimination on the basis of employment status/precarity.

3. Introduce Employment Equity Legislation

It is critical to underscore the importance of employment equity for any strategy which proposes to close the gender wage gap or to respond to the changing landscape in our workplaces.

Legislation governing employment equity and pay equity should work in tandem. Companion legislation is required to ensure a fairer and more equitable labour market, one that addresses the systemic barriers experienced by Aboriginal women, women of colour and women with disabilities who are trying to access secure employment.

The current labour market, where precarity is the new norm, leaves behind a large number of women from historically disadvantaged groups who are disproportionately concentrated in precarious employment and who are making far less than white female counterparts.¹ Recognizing the complexity and intersectionality of gender, race, class, ability, sexuality, religion and age within workplaces, pay equity and employment equity are both urgently needed to ensure all women count.

Recommendation:
Develop and implement Employment Equity legislation, facilitating the systemic changes required for fairer and more equitable workplaces.

¹ Block, S., & Galabuzi, G.-E. (2012). *Canada's Colour Coded Labour Market*. Canadian Centre for Policy Alternatives; Wellesley Institute. Gellatly, Mary. (2015). *Still Working on the Edge: Building decent jobs from the ground up*. Worker's Action Centre.

4. Facilitate Unionization: Card Based Certification

There is a shocking 57% gap between the hourly wages of non-unionized female workers in temporary jobs and those of unionized male workers in permanent jobs.²

The most efficient way workers have to address the gender pay gap and to improve their wages and benefits is to form unions. Year after year, Statistics Canada unionization studies confirm that women who are covered by a collective agreement experience a much smaller earnings gap by virtue of collectively negotiated pay, benefits, seniority and scheduling rights, as well as oversight of the pay equity process. In particular, unions help to level the playing field for women from marginalized communities.

However, workers still face tremendous intimidation and reprisals from employers hostile to unions. We need to modernize labour law to ensure that workers can freely discuss, deliberate and decide on union membership free of employer intimidation. A simple card-check reduces the time frame and opportunities for employers to exert undue influence on the certification process, as happens with the mandatory secret ballot under current law.

Card-based certification is already applicable to the predominantly-male construction workforce and should be available to all workers including predominantly female occupations in the service sector where unionization would be of particular benefit.

Recommendation:
Allow workers to join unions by signing a union card (card-based certification). When a simple majority has done so, the union should be certified.

5. Raise the Minimum Wage

By 2015 there were 695,000 minimum wage earners in Ontario and a total of 1.7 million workers who earned less than \$15 per hour.³

The minimum wage is particularly important for women, because they are more likely to work in low-wage jobs. If the minimum wage were increased to \$15, it would boost wages for one quarter of the provinces low-waged workforce, 60% of which are women.⁴ A substantial increase in the minimum wage will go a long way to reducing Ontario's gender wage gap.

Recommendation:
Implement a \$15 per hour minimum wage.

² Statistics Canada. Labour force survey estimates (LFS), wages of employees by job permanence, union coverage, sex and age group (Table 282-0074).

³ Block, Sheila. (2015). *A Higher Standard: The case for holding low-wage employers in Ontario to a higher standard*. Canadian Centre for Policy Alternatives.

⁴ *Ibid.*

6. Guarantee Up to 7 Paid Sick Days

Upwards of 30 percent of all employees in Ontario are employed in workplaces of under 50 employees so they are not protected against losing their job if they take a sick day.⁵ Nor do they have a guarantee of pay for the day.

Although the Employment Standards Act provides 10 days of unpaid Personal Emergency Leave, it only covers workplaces of 50 or more employees. Furthermore, Ontario merges various leaves under one, unlike some provinces which provide separate leaves for family responsibilities, bereavement, sickness, etc. This means the 10 days is easily exhausted if a company counts days off for bereavement, a sick child, workplace injury, medical appointment, urgent childcare or eldercare matter and even a workplace injury. Workers are forced to make impossible choices between their own health, their family and their work.

Many are low-wage workers, the ones least able to afford to lose pay. When these workers get sick they are forced to go to work, or to stay home without pay and at risk of losing their job. Most work in services such as retail, hotels, food services and health care. If they feel compelled to work while ill the public's health is also at risk.

Requiring employers to provide paid sick days, based on a formula such as the one proposed by the Workers Action Centre, would ensure that all working people can meet their responsibilities at home without compromising their family's economic security, as well as protecting public health, at little cost to business. Full-time workers in Ontario average only 8 days per year of workplace absences on the basis of illness, disability and personal or family responsibility.⁶

Legislated paid sick days will also help Ontario to reduce the gender earnings gap.

7. Require Joint Liability for Temp Agencies, Subcontractors

A new standard should require 'joint and several' liability for compliance with the Employment Standards Act and related acts, a responsibility of both the temporary help agency and the client

Recommendation:
Guarantee up to 7 paid sick days for all workers (1 hour per 35 hours worked). And repeal the Personal Emergency Leave exemption for employers with less than 50 employees.

⁵ Statistics Canada. Employment, by enterprise size, by province and territory (Ontario). Table 281-0042.

⁶ Statistics Canada. Work absence statistics of full-time employees (Ontario). Table 279-0029.

Recommendation:
Require client companies and temp agencies to be jointly responsible for all Employment Standard Act obligations, not limited to wages and holiday pay. Similarly, make contracting employers and subcontractors jointly and separately liable for ESA obligations.

employer. Many of the immigrant and racialized women who were laid off in the manufacturing sector during the last recession couldn't find stable work at comparable pay and benefits. When they ran out of options, many felt compelled to accept unstable and low paid temp agency employment.⁷

The rapid growth in triangular employment relationships means that jobs are increasingly precarious with more downward pressure on wages and benefits. It is also a significant element of the gendered earnings gap since women are over-represented in low wage, temporary positions.

8. Increase Access to Good Quality, Affordable Childcare

Many families lack accessible, affordable, and good-quality child care, making it even harder for them to balance work and family. Childcare is expensive, to the point that many families cannot afford it. In many parts of the province, childcare is more expensive than rent. Workers with children often have to choose between the financial stress of paying for good child care and cheaper, poorer quality care. Some parents have to leave the workforce entirely to become a primary caregiver.

Alternatively, when child care is affordable, parents, and women in particular, have more choices. Workers can stay in the workforce while their children receive quality care. Many workers also have unstable and unpredictable work schedules, making it doubly difficult to find accessible, good quality child care.

Recommendation:
Support the infrastructure for a province-wide system of affordable, quality child care along the lines of Quebec's system of early childhood and after-school care for children up to age 12.

Secure provincial funding is needed to support this vital community service. It would be a key support for mothers in the labour force who now find that the lack of child care is a major barrier to their participation. A quality system would also support the thousands of women working in child care to earn wages that better reflect the value of their work.

The Equal Pay Coalition has emphasized the need to provide affordable, accessible child care as one of their 12 steps to close the earnings gap.

⁷ Kholsa, Prabha. (2014). *Working Women, Working Poor*. Women and Work Research Group.

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We thank you for the opportunity to voice our views on these important matters.

The Good Jobs for All Coalition

Co-chairs: Tam Goossen and Carolyn Egan

Contact: Judy Vashti Persad, 416.441.3663 x 224 office; 416.895.0754 cell

Copy to: The Honourable Kevin Flynn, Minister of Labour
14th Floor, 400 University Avenue
Toronto, Ontario M7A 1T7
By email: kflynn.mpp@liberal.ola.org