

BPW Canada lobbies for pay equity legislation

Wage gap widest for university-educated women

By Sue Calhoun, President

Canadian Federation of Business & Professional Women's Clubs (BPW Canada)

www.bpwcanada.com

A good measure of the progress that women have made towards equality in Canada is education levels. Indeed, half of women aged 25 to 44 now have a post-secondary degree, according to Statistics Canada, compared to 40% of men. Women have closed the so-called education gap, and are participating in the paid labour force at a higher rate than ever before.

The gap that hasn't closed, however, is the wage gap, normally described as the difference between what women earn and what men earn working full-time for a full year.

Despite significant progress made during the 1980s and 1990s to close the wage gap, the situation has now stalled and is, in fact, moving in reverse.

In 2005 (most recent figures available, again according to Statistics Canada), women working full-time for the full year earned an average of \$39,200 or 70% of the average \$55,700 that men earned. In the mid-1990s, such women earned 72% as much as men.

The wage gap is even greater for university-educated women. They earned just 68% as much as men in 2005, down from 75% a decade ago.

In fact, according to the just-released Global Gender Gap Report, Canada plunged 13 points, from ranking 18th out of 130 countries on the gender gap index in 2007 to ranking 31st in 2008. The index measures how well countries have done to close their gender gaps on such issues as economic participation and opportunity.

How to account for this scandalous situation? One key reason is that women overall – especially those without high levels of education – are more likely than men to be employed in low-paid, insecure, part-time and temporary jobs, many of which are at minimum wage and provide no benefits.

To a large extent, women are still excluded from better-paid jobs, such as those in the trades. Many women still carry a greater share of home, childcare and elder care responsibilities, which takes them out of the workforce more often than men.

Many university-educated women have moved into professional jobs in education, health care and public service, although research shows that even there, women are still paid less than men, and they are vastly under-represented at senior levels. And with the government downsizing during the 1990s, many women faced pay cuts and job loss.

But all those factors are really only part of the story. Economic research has consistently demonstrated that the greatest part of the gender wage gap in Canada, as in other industrialized countries, cannot be explained by supposedly objective factors such as educational levels and job experience.

The wage gap is a product of gender itself. That is, there is an unexplained differential by gender when analysts control for other measurable factors. The wage gap is caused by cultural preconceptions of the value of particular jobs, rather than an objective analysis of the value of a job based on duties, responsibilities and qualifications.

It's why, for example, the caretaker at the zoo (male) earns more than the childcare worker (female) who looks after your children, why the clerical worker (female) is paid less than the janitor (male).

Why the university-educated lawyer (female) or engineer (female) still earns less than her male counterpart.

It's discrimination – and the complaint-based pay equity legislation that we have at the federal level in Canada has been largely ineffectual when it comes to addressing the wage gap. Any significant pay gains that have been made under this legislation (and Bell Canada is a good example) have taken decades.

As an equality-seeking group, the Canadian Federation of Business and Professional Women's Clubs (BPW Canada) develops the professional and leadership potential of women in Canada through education, awareness, advocacy and mentoring within a supportive network.

Over the years, we have lobbied for better pay equity legislation in this country. We supported the recommendations of the federal Pay Equity Task Force in 2004, which called on government to replace the current complaint-based model of pay equity with new stand-alone proactive legislation that would put the onus on employers to comply.

To date, the federal government has rejected the Task Force's recommendations. We will continue to lobby government on this issue, and *we encourage young, university-educated women to join us*. When you join BPW Canada, you join an international network of BPW women in more than 80 countries around the world.

Our history has taught us that there is power in numbers. This continued economic inequality that we call the wage gap makes many women – despite their education – vulnerable to poverty, throughout their lifetime and in retirement. It's an issue of social justice, and it must be changed.

-30-

For further information about BPW Canada, visit www.bpwcanada.com
November 2008