HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on the Status of Women

FEWO • NUMBER 046 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Tuesday, February 21, 2017

Chair

Ms. Marilyn Gladu

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● (0845)

[*English*]

The Chair (Ms. Marilyn Gladu (Sarnia—Lambton, CPC)): *Bonjour, tout le monde*. Good morning.

We're very excited to be back at our study on the economic status of women. We have several witnesses with us today.

From the Centre for Families, Work & Well-Being at the University of Guelph, we have Donna Lero. From Queen's University, we have Kathleen Lahey, professor in the faculty of law. From the EI sub committee of the Good Jobs for All Coalition, we have Laurell Ritchie.

Ladies, welcome. We're glad to have you here today. We will begin with your opening comments, starting with Donna.

You have seven minutes.

Dr. Donna Lero (Professor Emerita, Centre for Families, Work & Well-Being, University of Guelph, As an Individual): Thank you.

Good morning, and thank you for the invitation to appear today.

Improving women's economic security and ensuring their equal participation is not a trivial matter, as you know. These goals are central to reducing poverty for women and children; for enabling women to fully utilize their talents, education, and experience; and for maintaining and growing the Canadian economy. Moreover, these goals are central to Canada's commitment to gender equality and fairness as social and economic rights, including the commitment it made made as a signatory to the Convention on the Elimination of All Form of Discrimination against Women.

Many of the issues that I'm going to speak to you about today are well known to you. They have been evident in a variety of reports, including those by the Canadian Feminist Alliance for International Action, the International Monetary Fund, and the Women's Economic Council.

I'd like to talk to you about the inequalities that stem from women's caring labour and the issues that stem from their roles in their families as the main caregivers of children, the disabled, and the elderly, and how those affect women's employment and career advancement, their health, and their financial resources.

I believe that the challenges that women face can be addressed by improved policies, more workplace flexibility, and more adequate access to child care and home care services.

What I'm presenting to you is based on research, including my own, and observations of these matters over a 40-year career that has included participation in task forces, expert panels, and planning committees.

For decades, there has been an inadequate supply of affordable, high-quality child care in Canada, especially for infants and toddlers, but also for school-age children. Despite the fact that Canada has relatively high rates of labour force participation among women, including mothers of young children, access, affordability, and quality remain serious problems, both for middle-class families and especially for those with lower incomes.

A recent OECD report found child care costs in Canada to be among the highest among 35 OECD countries. They say that Canadian families spend almost one-quarter of their income on child care, a ratio much higher than in other parts of the world. Across the OECD, while the average two-income family spends 15% of its net income on child care, in Canada the ratio is as high as 22.2%. Single parents, on average, fare much worse.

Child care costs vary widely across Canada. In 2016, average monthly fees for infant care ranged from as low as $152 in Montreal —partly or mostly because of Quebec's policies—to over $1,600 a month in Toronto. Even parents who have a subsidy can wind up with substantial out-of-pocket costs because of the way subsidies and additional fees are structured. Low-income families with a child care subsidy in Saskatoon and Calgary have out-of-pocket fees of almost $500 a month.

In addition to high costs, the lack of access to regulated child care remains a serious problem. Wait-lists are a common feature for centre-based care, with almost all the large cities having 70% of their centres reporting that they maintain a wait-list.

High child care costs and the need to provide greater access to affordable early care have been identified as critical issues since 1970. Various attempts to develop a national program have come and gone and still Canada lacks a national early childhood education and care policy.

Lack of affordable quality care may dissuade some women from employment at all, including those struggling to be self-sufficient. It may limit their access to education and training, and result in high rates of part-time and precarious employment. Moreover, it increases dependency, deprives businesses and communities of women's talents and skills, and results in less tax revenue for governments. It also results in less stimulating early childhood programs being available to promote children's development. While some women may be precluded from employment, others do work and carry on despite concerns about work-family conflict and stress.

● (0850)

It's not true that not having a high-quality child care program will necessarily lead to very low labour force participation rates. We're an example of the paradox. What we do have, though, is women and families who do not benefit from having a high-quality child care system.

This partly also reflects the lack of thought and action given to ensuring that there is a trained, well-remunerated child care workforce. Various studies, including one by the Child Care Human Resources Sector Council, indicate that the median wage for child care centre staff in 2012 was $16.50 an hour, and $22 an hour for program directors. Working conditions for early childhood staff have also been of some concern, including lack of access to a pension plan.

Studies have indicated that high turnover in child care programs is one of the factors we must contend with, and recruitment and retention are issues that particularly require attention if we are to grow the early childhood system. We also need to ensure that pay equity legislation addresses the issues evident in the early childhood workforce and other female-dominated workforces that have historically been underpaid.

Further concerns include maternity, parental, and compassionate care leave. I know this is an area that the government has committed itself to studying and to ensuring that there are improvements in flexibility. We have a complex system of leave and benefits, one that requires careful attention. I will say, however, that research clearly indicates that a longer period of leave with comparatively low replacement has harmful effects on women's employment, and results in lower rates of labour force participation, an increase in the likelihood of changing employers, and an increase in the maternal wage gap.

The Chair: That's excellent. Thank you.

We'll go now to Kathleen Lahey.

Prof. Kathleen Lahey (Professor, Faculty of Law, Queen's University, As an Individual): Thank you. I'm very happy to be here and that this issue is the focus of this study, because women's economic inequality is one of the biggest problems Canada faces today.

To remind people who don't remember, between 1995 and 1999, Canada was ranked number one in the whole world for gender equality. It was also ranked number one for human development overall, and that was through CIDA, through Status of Women Canada, and through this committee's taking an historic leadership role globally in spelling out exactly how to achieve gender equality in countries around the world.

In recent years, because there has been so little funding and support available federally for gender equality, I have been filling my spare time consulting with UN Women, with the OECD, and other international organizations. I have had an opportunity to participate in training on gender equality for economic issues in countries as far-flung as Vietnam and Timor-Leste, both in the Asia-Pacific region, and to a great extent funded by Canada through CIDA. Canada has been doing what it can on these issues, but it is good that it is now taking care of people here at home.

I would like to emphasize that Canada is now ranked 25th in the world on gender equality. I'm going to point the finger squarely at two big macroeconomic developments that are at the heart of the problem in Canada. If they can't be addressed, then all the work in the world cannot the solve the problem to do with lack of child care resources, etc.

I did a small micro-simulation looking at where all the money went. Over the last 20 years, Canada has had the biggest cuts to its tax revenues of any of the leading, highly developed countries in the world. This lies at the heart of the problem with gender equality.

If Canada had not then embarked upon the various tax cuts that it has engaged in over the last 20 years—and both the 10-year Liberal government and the 10-year Conservative government are almost exactly equally to blame for this—Canada would have had in the last year, 2016, $47 billion more revenue just from personal income tax alone.

Where did that money go? It went, first of all, to enrich higher income Canadians, who are predominantly men. Secondly, it went to enrich men at the expense of women in a ratio of approximately 70% to 30%. This is part of the problem.

Part of the problem is also that as of 2010, there hasn't been sufficient statistical tracking of exactly where women are economically. On the bottom of page 5 of my handout, you will see that as of 2010—the most recent data we have, because the latest census did not include the unpaid work that women work so hard at—women continued to perform 64% of all unpaid work in Canada, including, of course, all the care work for which women are disproportionately responsible. They are at near parity in terms of hours devoted to paid work, but they are only receiving approximately one-third of all gross receipts in terms of income in the country each year. This is a massive economic dislocate because women are doing more than half the work in Canada every year, and they are getting just a little bit more than one-third of all of the income. This is unfair.

At the top of page 6, you see a profile of what women's incomes look like relative to men's. Women's incomes flatten out shortly after they achieve childbearing ages. Their incomes are flat, not curved and arced like men's are during their prime earning years. For full-time, full-year work, women are now not earning as much as they did in 1990, 1995, or 2000, based on their level of educational attainment. Women who are characterized by both sex and race, or ethnic or indigenous identifications, are doing even worse.

● (0855)

What are some of the specific structural problems that you encounter once you leave the macroeconomic level?

Well, Canada has for a long time looked at infrastructure spending as its number one solution to economic growth problems, but if you look at the square at the bottom of page 7, you will see that the more Canada focuses its economic development programs on infrastructure, the more deeply it drives the wedge between women's incomes and men's, because women continue to be incredibly under-represented in everything from construction and labour trades to engineering, despite the training of the chair of this committee. Women are under-represented in primary industries. They are better represented in manufacturing, which is a declining industry.

In recent years women have received 0% of all of these special science, technology, engineering, and math appointments to chairs, which have been funded for a vast sum of something like $35 million per year, for universities to support the development, innovation, and technology industries in Canada, and so on.

I point out that infrastructure dollars are almost never spent on social infrastructure for child care, physical infrastructure for care, or other women's needs. The resource industry has a similar impact.

I will go really quickly to my two biggest solutions.

Canada needs pay equity. It also needs massive spending on child care, and the individualization of all of the care resources that are available. Right now, Canada spends $24 billion per year on supporting the unpaid work of women, and only $1.6 billion per year on paid child care resources.

Thank you.

● (0900)

The Chair: Very good.

Now we'll go to Laurell Richie.

You have seven minutes.

Ms. Laurell Ritchie (Co-Chair, EI Sub Committee of the Good Jobs for All Coalition, Inter-Provincial EI Working Group): Thank you, and thank you for the invitation. I'm going to focus on employment insurance, which along with CPP is one of our two most critical social insurance programs in the country.

It is important for women to move into non-traditional jobs in the labour market and to take on new leadership roles in the public and the private sector. Right now, it would help to spur some of that if all, not just some of the massive public spending going into the country's physical and social infrastructure were tied to contract compliance with employment equity at the front end of the spending.

Having said that, it is at least as important to pay attention to the lives of millions of women who do not get the starring roles and who will continue to work in retail stores, restaurant kitchens, hotels, assembly plants, support services for health and education, and similar jobs. The government's own occupational projections for 2020, for example, still show that the three most numerous occupations are retail salespersons, cashiers, food counter attendants, and kitchen helpers.

These women need and deserve better supports, from affordable quality child care in their communities, to stronger employment insurance for their temporary absences from the labour market. These are the things that matter to the employment security and well-being of most working women.

According to the latest 2015 EI monitoring and assessment report, the employment insurance system put almost $8 billion—not million, but billion—$7.729 billion, into the pockets of working women that year, providing them with greater security and independence, and, in the communities where they spend those dollars, greater economic stability.

I want to quickly address two aspects of our EI regime. First, in recent decades we have made a collective project, or so I like to think of it, of shaping a strong system of parental and special benefits that would be the envy of any woman to the south of us in the U.S. It can, of course, be made better, and that is the point made in the letter we've circulated and that you may have on your desks now to Minister Duclos and to Prime Minister Trudeau.

Community and labour organizations have called on the government to keep the big picture in mind, such as the need for improvements in EI access and benefits, especially for those in precarious jobs, and the need for public, universal, and affordable child care programs. I don't know how many times we have to say this.

We have also supported and proposed an extra eight use-it-or-lose-it benefit weeks for the second parent, as in Nordic countries and as Quebec already has with its five weeks; a reduction in the hours required to access special benefits—all the flexibility in the world isn't going to help you if you can't get in the front door; a higher EI benefit rate; compassionate care benefits in case of critical illness, not just imminent risk of death; and restoration of the pre-2012 access to special benefits for all temporary foreign workers who contribute premiums to EI.

Second, discussions about how best to improve EI special benefits also carry the risk of typecasting women's interest in the EI system. In fact, we have to address women's access to regular EI benefits if we are to get to the nub of the economic security matter. The neglect in this area over the last two decades has left us with shameful levels of EI recipients amongst the women who are unemployed in this country.

According the latest StatsCan data—I did the numbers as they came out in the last few days—only 34.4%, or not even 35%, of unemployed females were receiving EI benefits in December. Remember, these are for the officially unemployed. For men, it was 48%, which is itself a poor showing compared with earlier decades.

Some of those who are not receiving EI are legitimately self-employed, so they neither contribute premiums nor qualify to collect benefits. However, some are involuntarily self-employed or dependent contractors, a matter that some of our other laws should address.

● (0905)

Beyond that, there are many women who aren't getting EI and have a right to it. Our coalition has put considerable focus on the urgent need to improve access to EI benefits. There are things that we can fix if we have the political will to start reshaping EI regular benefits to better reflect women's modern labour market realities. It will help men as well, but it is women, as well as new immigrants, young adults, racialized workers, aboriginal workers, and those with disabilities, who generally end up in the temporary, part-time, short-term contract, and temp agency work that now characterizes so much of the labour market.

We've seen one step in the right direction. The government listened to the complaints of many and eliminated the 910-hour entrance requirement for new entrants and re-entrants to the workforce, a rule that had previously discriminated against women as well as new immigrants and young adults. Departmental staff have estimated that this might help improve access by 3%. It's a start, a down payment on other things on the EI to-do list.

There are two measures—I'm not going to have time to get into the details right now—that I think would help enormously in women's access. First would be a lower entrance requirement of 360 hours, uniform across the country, for a very basic EI claim. That's been repeatedly proposed. Second, the EI hour system needs to be revamped to reflect the realities of real workers with real work schedules. Thirty-five hours, which is what the EI hour system is predicated on, has not been the standard work week for a very long time, particularly for those in precarious work circumstances.

Furthermore, I'll just provide titles for four other improvements to EI that would help women enormously. One is to raise the miserably poor EI benefit rates, because low-income earners get to the breaking point sooner. An average EI benefit for women, according to the monitoring report, was $398 a week. Another is to have an EI training benefit to help women upgrade and develop their skills. A further one is to extend EI sick benefits initially up to 26 weeks, as women make the most use of EI sick benefits. Finally, the government should allow an extended EI benefit period for those who have had maternity parental leave following a layoff for which regular EI benefits were received, and vice versa if they are laid off after returning to work after such leave. That one really should be a no-brainer. Women are losing out with the current rules.

Thank you.

The Chair: Thank you very much.

Now we'll go to our first round of questioning, beginning with my colleague, Monsieur Serré.

[*Translation*]

Mr. Marc Serré (Nickel Belt, Lib.): Thank you, Madam Chair.

[*English*]

Thank you so much for your well-prepared and concise presentations.

My first question, in the short amount of time that I have, is for Ms. Lero. You mentioned parental leave, maternity leave. We've had other witnesses who talked about adding more parental leave for men, as long as it doesn't take away from women's. In your presentation you said that it was a detriment to some of the women in the workplace to have longer maternity leave.

Would you be in favour of...? What's your recommendation on how you would balance that out between men and women?

● (0910)

Dr. Donna Lero: Thank you for the question.

My comment about long leave periods—anywhere from nine months and longer—at a lower rate of replacement, as we currently have, was that it has been shown to have negative impacts on women's employment. Use-it-or-lose-it leave, or designated paternity or second-partner leave, has at its core the idea of gender equality and the idea that it encourages men, in most cases, to have a greater role in child care as it enables women to get back into the labour force. The two have two different effects.

And yes, I would certainly be in favour of paternity leave.

Mr. Marc Serré: Thank you.

I would agree. I was eligible for only 10 weeks in 1993 and 1997. I took the 10 weeks, but it would have been nice to take more.

Dr. Donna Lero: I would just say that the statistics we have, which I think all of us would agree could be improved tremendously, do a disservice to men in that many men take what I call invisible paternity leave. They take time off from work as vacation time, or even sick days, because those are paid days and there's no question about their commitment to the workforce, rather than taking designated paternity leave.

It's a cultural shift that we need to make.

Mr. Marc Serré: Thank you.

Ms. Lahey, you talked about unpaid work. According to the Canadian Medical Association, most home caregiving for seniors is by unpaid family, friends, and neighbours. Can you elaborate on what economic impact it has on women in Canada and any recommendations you have on the unpaid work that's being done?

Prof. Kathleen Lahey: First of all, speaking of people who do provide unpaid work in the form of care for older persons, they are often themselves older persons, just not quite as old. Extensive research has demonstrated that in Canada specifically, women, even from their mid-40s, are more vulnerable to losing their paid work and so become more vulnerable to being forced into either early retirement, where it's available, or taking on unpaid work to help their relatives. This has such detrimental effects on their own health and their own stamina that it becomes a problem for them to maintain paid work during that period.

There is a really serious problem right now in the way in which unpaid work is encouraged, and exacerbated, I would say, through the pension income-splitting system. The latter allows older couples to receive massive tax cuts, with a top benefit of an extra $11,000 per year per couple, I think, through pension income splitting. It's an incentive to caregiving for older women, and a disincentive for older women who most need income to not go into paid work. That's just one example of one demographic group that is at risk from this.

All the way through the system, the way that unpaid work is forced on women is hidden and inserted into virtually every provision. For example, you've already heard about the working income tax benefit that is available to low-income couples. It has three defects. The first is that there is a cap imposed on the family income as a whole, meaning that the smart thing for a low-income family to do is to send the person who can earn the most money into paid work. Statistically, that will be the male partner, if there is one. Second, it means that if a woman wants to use that benefit, she will be disqualified by virtue of her husband's income. If she has a low income and he has a high income, she will not be able to take it. And third, even if she were the one who is able to take advantage of this, there is no child care built into it.

As a lateral and related point to that, the participation tax rate alone on second workers and lone parents is extremely high in Canada. By the time child care costs are added in, a lone parent who has to pay for child care and also for taxes on earnings will spend 94% of what can be earned, on taxes and child care, according to the latest OECD stats on Canada. What lone parent can earn such a high income that they can afford to go into paid work? For a second earner in a couple, that rate, which is called the participation rate plus child care rate, is 78% for second earners.

Women who have care responsibilities are absolutely blocked by access to affordable care, and it is affordable care itself that is underfinanced in Canada. We have the lowest level of spending on that among the entire OECD, and that has been the situation for decades.

● (0915)

Mr. Marc Serré: Thank you.

In 30 seconds, my last question is related to universities.

You talked about the chairs. We heard about the lack of women in universities and research chairs. The target is 30% and it's not even being met. Do you have any recommendations along those lines? If you don't have time, you could provide them later on.

I agree totally with your stats on the infrastructure and, hopefully, putting some monies into affordable housing and working on that aspect.

Prof. Kathleen Lahey: The federal compliance mechanisms for universities have no teeth. I cannot even get access to the pay equity figures for my own faculty. I have to get them from my dean. If my dean doesn't want to give them to me, then I can't see them.

The Chair: That's your time.

We'll go now to my colleague Ms. Vecchio.

Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC): Thank you very much.

Ms. Lahey, I want to confirm one thing. You said that it was $11,000. There is a tax cap of $2,000 when you're doing income splitting when it comes to pensions. Is that not correct?

Prof. Kathleen Lahey: That is not correct. Pension income splitting is something that is absolutely all the way up to 50% of total pension income. The only sort of—

Mrs. Karen Vecchio: That's if you're looking back, though, but you have to look at all the levels, because there's only a maximum that it does do.

Prof. Kathleen Lahey: No. No, you may be thinking of the parental income splitting mechanism that was in effect for only a short time.

Mrs. Karen Vecchio: No, I'm looking at the CRA stuff right now that says it's a $2,000 cap. That's what I want to confirm.

Prof. Kathleen Lahey: The $2,000 cap would be for the other form of pension income splitting, which is available with respect to a pension credit—

Mrs. Karen Vecchio: Okay. Got it.

Prof. Kathleen Lahey: —but I'm talking about pension income splitting, which goes all the way up to 50% of total income—

Mrs. Karen Vecchio: Got it. So—

Prof. Kathleen Lahey: —received from pension sources, from the top income earner.

Mrs. Karen Vecchio: Okay. Fantastic.

Kathleen, I have one other question for you. Thanks very much for the information you've provided. Under “education”, we're looking at men versus women. Just so we have a balance when we're looking at it, if you're comparing women's education from 1995 to now, women are actually not making as much money as they once did with a lower education. It's not growing as it should. Do we see the same ratio for men?

Prof. Kathleen Lahey: Those figures are all the percentages of women's incomes compared to the same men they graduated with in the same programs. That is not affected by changes in the gross number of dollars achieved; these are percentage figures. Women's income earnings relative to those of the men they graduated from their training courses with, whether it was from the grade school—

Mrs. Karen Vecchio: I'm looking for the less-educated, because that was the figure you provided us.

Prof. Kathleen Lahey: Yes. Now women who have not even finished high school earn less than 50% of what men do—

Mrs. Karen Vecchio: Who do not finish high school as well, then?

Prof. Kathleen Lahey: —who did not finish that same level of education. The great tragedy of this is that women with that level of education did much better even 15 years ago.

Mrs. Karen Vecchio: Okay.

Prof. Kathleen Lahey: It's going so far backwards for the least educated women in the country that it probably has set a new highly developed country record, but I haven't checked.

Mrs. Karen Vecchio: No, that's perfect. I wanted to get confirmation of that.

Donna, I want to turn to you, because many times we hear about the Quebec child care system, and some of the concerns are about the quality of child care and the child ratio as well. When you're looking across Canada, spanning all the programs, what program has been effective across the provinces? Can you can sit there and say there's one that has some merit to it and that we should build upon that success?

Dr. Donna Lero: I don't think I could say that any one province has uniquely met all the criteria we might like. I think there are elements in some of the provinces.

Ontario has moved to have full-day junior kindergarten for children, which on the one hand has enabled universal free child care, publicly funded child care, for four- and five-year-olds, but has had destabilizing impacts on programs for children younger than four and five, on the other hand.

Manitoba has always had a maximum fee that is charged to parents. They have subsidies for low-income families, but it also has a maximum fee and has had that for decades. That has helped to bring middle-class families into the child care system and has been a real support for that. They've also done a lot in terms of quality in Manitoba, including recognition of and training for differential levels of education and qualifications for early childhood educators.

The reality is that this is a complex system. You have to pay attention to parent fees or affordability, access, and quality, all at the same time. It's labour intensive. It's not cheap for anyone. Right now what's happening is that early childhood educators are subsidizing the costs of child care, and market-based systems around the world just do not work for providing universal access or inclusion of children with special needs.

● (0920)

Mrs. Karen Vecchio: Thank you, Donna.

I was fortunate enough to be travelling with the human resources committee for the last two weeks. One of the stops we made was in Saint John, New Brunswick.

I hope you heard that I said “Saint John”. That was good, eh?

Voices: Oh, oh!

Mrs. Karen Vecchio: Thank you. That's for my New Brunswick friends.

I saw some really good models that they are using there. They're working on a poverty reduction strategy, which we recognize as going hand in hand, but they're really focusing on and targeting the low-income families. When we're looking at child care, do you believe that it should be universal to all families or targeted to those families who do not have access in terms of the affordability or the income?

Dr. Donna Lero: I think it's a false choice, frankly.

I will tell you that my first job was as a teacher in Project Head Start in the United States, a program that's targeted to low-income children. Generally what we see is that programs targeted for poor families and poor children tend over time to become poor themselves; they don't have the integrated approach that a mixed socio-economic program has. There's no reason in this day and age why we can't have universal programs that have the capacity to meet the needs of children from low-income families, those who come from different language groups, and those with different abilities.

Mrs. Karen Vecchio: Should we have a different fee chart available for a family that is making $100,000 compared to a family that's making $30,000, because I want to look at it as a family as a whole. Why should this family who is making so much more money be subsidized and be paid exactly the same amount as this family that does not have the same income? What are your thoughts on that?

Dr. Donna Lero: If you're thinking about health care or about public education, we wouldn't say “have a sliding scale”. Right?

Mrs. Karen Vecchio: Okay.

Dr. Donna Lero: We see it as a public service. It's what you see the program as. If it's a consumable good, then you might have a sliding scale to help offset the cost. But if it's a publicly funded program that benefits all children and all families, then you would not do that.

Mrs. Karen Vecchio: Thanks very much, Donna.

Laurell, in a lot of what we've talked about and stats that we've seen—and I'm sure Parliamentary Secretary Terry Duguid has seen them as well—we're seeing that many men do not take parental leave. Given that we're talking about women's equality here, and if the opportunities are available for men to take parental leave, what can we do when we see fewer than 2% of them taking parental leave? Both parents need to be involved with the child—that's how I'd like to see it best. It doesn't always happen, but what can we do to get more men taking parental leave, which would open the door for women's equality as well?

The Chair: I'm sorry, but you're out of time. We'll go to Ms. Malcolmson.

Ms. Sheila Malcolmson (Nanaimo—Ladysmith, NDP): Thanks to all three witnesses for your work. This is extremely rich, and we're going to draw on a lot of it.

Ms. Ritchie, we're seeing the work world changing tremendously, especially for women and young people who are overrepresented in the service sectors and in precarious part-time employment. You talked a little about the 35/30-hour workweek change. What could the government do to make sure that EI remains accessible to women who have been forced into part-time work by discrimination and the demands of child care and elder care, and how would using a 30-hour workweek model for EI help those women?

Ms. Laurell Ritchie: We attended a presentation a few weeks ago sponsored by the EI commissioner for workers, where there were a number of government staff there who deal with EI. One of the things they noted is that they see some troubling signs on the horizon for them from some of the most recent numbers regarding individuals who are in jobs that tend to be lower paying and with fewer hours.

They're finding that their numbers of people who have exhausted EI benefits in the past 12 months are popping. That's because even if these people qualify, they have nowhere nearly enough benefit weeks. The chart looks like this. The EI hours grid is very complicated, but essentially both the entry rules and the duration rules are in 35-hour increments.

I was just taking a look at the numbers for Toronto, Montreal, and Winnipeg. They have the same unemployment rate of 6.1% to 7%. I took the case of a cashier at a grocery store. They have some of the worst standards as far as hours are concerned—25 hours a week is the average in that sector. Right now in Toronto, Montreal, or Winnipeg, if that woman works for six months straight for 25 hours a week and then gets laid off, she does not qualify for a single cent of EI benefits. Her co-worker who might have enough to get over the initial hurdle will get a lot fewer weeks than she would have in the previous incarnations of EI.

It's increasing. We knew it was a problem. We predicted it would be a problem. The department's staff are saying it's starting to crop up in their numbers.

● (0925)

Ms. Sheila Malcolmson: So, I guess, overall, we're seeing a trend towards more precarious, part-time work, but the bottom line is that our unemployment insurance system doesn't reflect that changed nature of work, and women—

Ms. Laurell Ritchie: Absolutely not.

Ms. Sheila Malcolmson: —are taking the particular brunt of that.

Ms. Laurell Ritchie: It has not taken it into account.

Ms. Sheila Malcolmson: Thank you for your very specific recommendations. We'll be pushing some of them forward, for sure.

Ms. Lahey, can I talk with you about another particular program? You've talked quite clearly about what happens when women are left out of the equation. On the New Democrat side, we were concerned about the government's reform of the Canada pension plan. Although it was a good move in a general direction, we were disappointed that it didn't include drop-out provisions for women who take time out to care for children. Also, the new government bill, a different bill, that was tabled in the end alters pension plan funds and could destroy the defined benefit pensions that women rely on disproportionately for financial security.

In your work, does the creation of taxation policy that doesn't consider women, threaten their economic security, and particularly that of vulnerable groups like elderly women?

Prof. Kathleen Lahey: It's a complex system because women's work lives define what their eligibility is going to be for all forms of pension support, with the exception of old age security, GIS, and the other low-income supports. On the one hand, what you see is deterioration in the quality and level of retirement income that's available, as defined benefit and defined contribution systems or hybrid systems are all dissipating and being replaced. This, I think, really should be a matter of government regulation, just like the minimum number of hours of paid work permitted under employment standards.

I do think that governments need to take a more active role in defining minimum levels of engagement and bring a stop to the trend toward precarious work. With respect to the CPP drop-out figure, it is a small figure. I see no reason for any sort of penny-pinching on that end of things. I think that the drop-out provision should be provided pervasively whenever any changes are made to CPP. CPP itself is getting more complex as changes are made to it, but I think it is important to protect the integrity of that system to the extent possible.

To bring in something that people don't understand concerns me greatly. In this connection, when pension-income splitting takes place, it deprives women of their fair share of what would have been their OAS and their GIS, because it deems them to have more income than they would ordinarily be seen as having with respect to eligibility for OAS. At the same time that pension-income splitting takes place, male pension income splitters get a larger share of OAS and GIS than they would have if they were being taxed on their actual pension income, and the women they are married to are seeing a fall in their OAS and GIS. Many married people do pool their income, and everybody has access to the same amount of income—but not everybody does. In any event, this is a form of high-income theft from low-income women that needs to be corrected, and it's part of the pension picture as well.

● (0930)

The Chair: That's your time.

Now we're going to go to my colleague, Ms. Damoff.

Ms. Pam Damoff (Oakville North—Burlington, Lib.): Thank you very much.

I wish I had half an hour to ask all of you questions.

Ms. Lero, you've done a lot of research on people with disabilities and the employment challenges they've faced. It's the last segment of society that we feel people can work for free and consider it acceptable and within the law. In particular, when it comes to women with disabilities, do you see any role that the government can play? We know that grants don't work, because as soon as the grants run out, the job disappears. So I'm referring to ways that we can support women with disabilities to find permanent paying employment.

Dr. Donna Lero: It's a complex question. I'm engaged in a research project right now that's looking at episodic disabilities, which are conditions like MS, for example, that have fluctuating periods of ability and wellness.

We have a system that has as the ideal a full-time, full-year male worker. For many people with a disability, and perhaps for some who are caregivers, the idea of part-time work with prorated benefits and some income top-up would enable them to continue to work as part of the labour force without compromising their health.

Right now, we have disability income systems, such as ODSP in Ontario and others, that assume this dichotomy of a person either being able or unable. There are many people who can work and use their skills if they're able to get to work and have the accommodations they need, including some reduced workload demands, so they can continue to make contributions. We need to rethink some of the income support systems, and we certainly need to educate employers, so that we have this.

My understanding is that some of the impasses are actually issues with insurance systems—not EI per se, but others like insurance for benefits where restructuring some of these programs in ways that would better meet the needs of people is balked at.

Ms. Pam Damoff: Ms. Ritchie, during the summer, I had a conversation with the head of a union in my riding who represents early childhood educators who work in schools. Because of their jobs, they're required to file for EI every summer. They're laid off every summer and then have to reapply. One of the issues they brought to my attention is that because women's maternity leave is longer than the men's, it affects them disproportionately because they don't qualify when they come back in the summer.

Have you run into that at all? Do you have any comments on how EI, because of the way our system is set up, is impacting women in a negative way, but not men because they are only taking paternity leave in that case, which is 34 weeks?

Ms. Laurell Ritchie: If I understand you correctly, you might be speaking about the final point I was making in my comments at the outset. This has been a continuing problem. If someone is on parental leave and then later on needs to go on regular benefits, in this case because of a summer lay-off, they may find some work over the summer, but if they don't, then they will be on EI. If they have been on parental leave during the year and exhausted their entitlements, and did not get enough hours to requalify, then they don't get the regular lay-off benefits that another colleague might, and the reverse happens too.

● (0935)

Ms. Pam Damoff: I'm sharing my time with Mr. Fraser, so I'll pass it over to him now.

Mr. Sean Fraser (Central Nova, Lib.): Thanks very much.

First, Ms. Ritchie, you spoke a little bit about EI, and how the benefits don't necessarily go to everyone who should be getting them, and cited independent contractors as one example. I completely agree, although conceptually I have a little difficulty deciding how the program should flow when the latter are not contributing to the program. I view it as the money of the workers who do contribute to it.

How can we ensure that these people are eligible for appropriate benefits without tapping into funds they didn't pay into?

Ms. Laurell Ritchie: We would agree with you that EI should be going to people who have contributed. The system is predicated on that. The problem here is that we need to take a broad brush approach to a whole set of laws, including labour standards, the Canada Labour Code, etc., and start to drill down into this problem of involuntary self-employment in which some of the larger employers offload their responsibilities for contributing to EI and CPP, as well as the problem of some employees not contributing to CPP.

Mr. Sean Fraser: Is the answer then, in your view, to require that those individuals be rolled into the EI program, or that we have a separate program for people in that kind of a work situation?

Ms. Laurell Ritchie: In the situation I'm talking about, it would be to have them rolled into the program, to be deemed dependent contractors and rolled into the program with employers and employees contributing.

Mr. Sean Fraser: Excellent. Thank you.

Ms. Lahey, I think I have about a minute left. I think it was you who mentioned that in terms of macroeconomics, governing for growth can be a bit of a problem. I don't mind governing for growth, but I take your point that we need to make sure that growth works for everyone. There are a few examples I can think of, including investing in things like in-home care or child care, where a federal investment could help growth achieve some level of equality. Are there other industries we could be targeting, which could potentially lead to systemic savings or growth that helps promote women?

Prof. Kathleen Lahey: I think the most important thing to do is to get women into a position of complete parity when it comes to paid work. Just with respect to Alberta, I did a small pay equity exercise to look at the overall revenue impact of doing that. One of the slides that I copied into the handout demonstrates this. Between the reduction in transfer payments that need to be directed to low-income individuals and the increased revenues, it's actually a money-maker just to promote gender equality.

To your first point, I don't agree that going for growth in the single-minded way that Canada has done for so long, and which other countries have done as well, is a little of the problem. It is the core of the problem, because it has completely turned upside down the priorities of most governments, who seem to feel that their main goal is to feed and nurture the corporations within their jurisdictions to a greater extent than they feed and nourish the human beings who are the source of all wealth.

Most of the OECD countries and other big think-tank organizations, including the IMF, have come to the realization that in fact single-mindedly going for growth is absolutely the wrong thing to do, and that what needs to be done is to go back to the sustainable development goals, the Paris agreement, the Beijing requirement—

The Chair: That's your time. I'm sorry.

We will go now for five minutes to my colleague Bev Shipley.

I want to welcome you to our committee today.

Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC): Thank you, Madam Chair. I'm going to split my time with Karen.

I just had a couple of thoughts. I'll make a comment first.

In terms of the infrastructure funding that goes out at any time, you talked about affordable housing and those types of issues. That money normally transfers to the provinces, and the municipalities work with the provinces to determine where the infrastructure dollars will go.

I'm a farmer. I'm in agriculture. We had this discussion the other day about some of the issues women face in agriculture. My comment would be that I'm more interested in seeing how we can encourage women to get involved in some industries so that they do get equal.... Can I get your thoughts on that?

For example, in agriculture, we need agrologists; we need engineers; we need veterinarians; we need chemists; we need skilled trades; we need program designers; we need all of those things. One of our challenges is not only to get people in general, but also women in particular to go into these skilled trades such as agriculture, where there is a demand. You go into it; you come out; there's a job. Drive by construction sites and you will see women involved, driving excavators or packers, doing things that men just always did. Those are skilled trades. They pay well.

I'd like to get your thoughts on how we can encourage that part of it. Everybody else is talking about some of the benefits. We need to address those, but I'm trying to get from you how we get women to realize that this is a great opportunity for them to get involved in something that would be successful for their career.

I'd ask you all to take a run at it, if you like.

● (0940)

Prof. Kathleen Lahey: It is a pervasive cultural challenge, and it begins with regulation of advertising, which increasingly stereotypes women as being more concerned about keeping their nails intact than thinking about driving heavy equipment. There is that. It is well established in educational research through detailed gender-based analysis that this kind of streaming of women and men begins as soon as they set foot into any kind of culturally organized institutions.

By the time women reach university career ages, the institutional factors are already very discouraging. Walk into an engineering department at Queen's in the fall and you'll see people painted in purple from top to bottom, kicking jackets for miles at a time down the road as part of their initiation process. It just doesn't appeal to female culture. Even with a female dean of engineering in Queen's, it's been really difficult to get past that cultural barrier that is constructed and maintained.

Mr. Bev Shipley: Are we not making progress? It's sometimes hard—

Prof. Kathleen Lahey: No. The numbers are going backwards.

Mr. Bev Shipley: I know of ones who are moving that. I don't think governments play a role in changing the culture of a program. You were talking about the initiation process. I think the university has to take those initiatives. Does it not?

Prof. Kathleen Lahey: The university does everything that it can, but the Canadian Human Rights Commission does not. It does not enforce the rules. It produces results that are insulting and that put the blame on women if they do mind the harassment that they generally experience when they are the first to enter into these areas of work. It is a systemic legal, cultural, economic problem that has to be attacked at every single level. That is why the role of Status of Women Canada has to be, in part, to re-establish the process of gender mainstreaming of every single policy, practice, law, and program in the country, to turn that back to where it was pointed before—in the direction of emphasizing gender equality as a fundamental principle around which all human activity should be organized.

Mr. Bev Shipley: Could somebody help me? What percentage of women, compared to men, graduate from secondary school, colleges and universities?

Prof. Kathleen Lahey: It's very low. It's been going backwards seriously. The women who do graduate are increasingly focusing on the earth and biological sciences, and not on the hard-core built environmental and chemical engineering environments. They are also falling out of computer programming, which was the area people thought women were going to make strides in. The data is available and is in fact on file with this committee, from a couple of years ago, I think.

Mr. Bev Shipley: Why are they pulling out or not going through?

The Chair: I'm sorry. That's your time.

Mr. Bev Shipley: I'm sorry.

The Chair: We're out of time for our panel. I want to thank all of our witnesses today. Your contributions are very valuable. We appreciate the information you've sent. If you think of something else you'd like to have the committee read, please direct it to the clerk.

At this point, we're going to suspend so we can go in camera to consider our report.

[*Proceedings continue in camera*]