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**Ep1: What is the Gender Wage Gap?**

**INTRO:**

**Kadie Ward (KW):** Welcome to Level the Paying Field, season two, a six-part series that seeks to uncover the invisible drivers of the gender wage gap. My name is Kadie Ward, and I'm Commissioner and CAO of Ontario's Pay Equity Commission. Join me and my outstanding guests in exploring how women in the labour market still experience multiple biases and what can be done to confront and remedy them. Let's learn together what we can do to level the paying field.

**KW:** Today we're talking with Paulette Senior. Paulette is President and CEO of the Canadian Women's Foundation. She has devoted her career to empowering women and girls to overcome barriers and reach their full potential. Throughout her career, Paulette has earned numerous awards and become one of the most respected leaders and speakers in Canada. Paulette, thank you so much for joining me today to share your thoughts.

**Paulette Senior (PS):** Thank you, Kadie. Thank you for having me and thank you for taking this on.

**KW:** Yeah, exactly. This is a big conversation and I know you very well know that both gender gaps in general vary broadly, but also gender wage gaps are both very complex and the work that you do with the Canadian Women's Foundation actively supports activities that promote gender equality and gender justice very broadly. And talking about the gender wage gap and advocating for its closure is one of those activities. That's why I'm really excited to talk to you today. Can you tell us how the gender wage gap is an indicator of wider actual gender inequalities?

**PS:** Sure. Well, I believe it's really important that we understand and work to close the gender pay gap and I think this is because earnings are a key determinant of economic wellbeing in Canada. I don't think that is a deniable fact. So, the gender wage gap is rooted in longstanding, what I would call patriarchal beliefs about the value of women's work and their contributions to society. And I would say that given that our social and economic systems were built on these beliefs, they tend to actually persist as systemic barriers, so sort of longstanding barriers that must be removed.

And I would also say that the gender pay gap is directly connected to other economic related gender gaps as you mentioned earlier. Some of these include the gaps we see in particular fields of study and work, as well as career advancement opportunities, as well as the time that our society and economy allot to what we now all can relate to, which is unpaid care and domestic work.

**KW**: Right. Yes.

**PS:** And I can expand a little bit more. I think it's also interesting that the gender pay gap continues to prompt so much debate and it's hard to figure out why there's a debate because many call it a myth and argue that it's simply a result of women's decisions. But I'd like to break that down a little bit if I can.

**KW**: Please do.

**PS:** So, for example, to have children in the midst of their career, or the decisions that women kind of make in terms of their choices to reduce work hours, to spend more time with unpaid childcare or because men and women don't choose to work in the most lucrative career fields, those are some of the beliefs that have become popularised. But what research shows is that there are gender pay gaps, even when we control for the number of hours worked and that there are gender pay gaps within the same professions. And in fact, there are also gender pay gaps for women that don't have children.

**KW**: That's a great one to bust that myth. Right?

**PS:** Exactly. Yeah. And it's important that we bust them or else the myth will persist.

**KW**: Yeah. Thank you for that overview, and we will, later in the series, really get into that unpaid care discussion and sort of the unfair economic impact it has on women in terms of their earning potential. So, thank you for flagging it early on because it is such a huge piece of the gender wage gap.

**PS:** Absolutely.

**KW**: And it's linked to just the undervaluation of work that women do in general.

**PS:** And it also perpetuates, sort of traditionally held views around the division of labour as well. That's something that leads to all of that.

**KW**: Right, the economy is based on unpaid labour, which is fine. There's work that has to be done that is not paid, but it's disproportionately on women. And so, this is something we're going to get into and we'll probably have a follow up conversation about that then, Paulette, because that's a, that's a big one. I want to bring it back to the gender wage gap and talk about, you know, there are different ways to actually measure the gender wage gap. And at the Pay Equity Office, we tend to use the average hourly earnings, which is currently 12% across Canada. And the average annual earnings, which is 27% in 2020. So, this is the most up-to-date data that we have. And as you know, we've had conversations before about how the gap varies and depending on how you measure it, you're going to get different numbers. And it also, you know, varies by sector for, we did some really interesting sector analyses and in 2021 we saw that the, for instance, the gender wage gap in say the utility sectors was as low as 2%. So, that's great there, while professional scientific and technical service, it was as high as 20%. So, we look at averages, but when we go deep into the sectors, it's a different story. Can you share with us also, because we know and it gets broken down intersectionality, and we know that the gender wage gap is worse for individuals who face multiple intersectional barriers. So, can you share with us what you've learned about that?

**PS:** Absolutely. And I really like what you pointed out because it points to the reason why desegregated data is important. And to get deep into the analysis where you see the difference across industries from the 2% to 20%. So, it's important to even dig further. So, thank you for pointing that out and yes, to add to all of that in terms of what the data is telling us, the gender wage gap widens for people who are facing what we call intersecting forms of discrimination. So, for example, it is wider for women who are living with disabilities, wider for Indigenous women, black and racialized women, as well as newcomer women. And it's only in fairly recent years and with the collection of disaggregated data that we've come to understand these kinds of persisting disparities. We've heard the stories, but we didn't have the data until most recently. This to me demonstrates that systemic forms of discrimination compound the economic realities and barriers that women face or differentiating women face, and make it even more difficult to earn a decent living and end generational cycles of poverty.

And we also saw this clearly during the pandemic, right? That we can relate to where a disproportionate share of the women doing the frontline essential work were racialized and immigrant women working in the care economy. We saw that very clearly. I think it's undeniable. And here I'm talking about personal support workers or nurse aides or orderlies, those folks that we depend on to look after our daily needs beyond those who are the doctors and so forth, right? So, this disproportionate representation, I think, is connected to a longer history of Canada’s immigration policy. Those of us who have that sort of immigration roots in Canada, I'm talking about my mother for example, and many others. Canada’s immigration policy and the undervaluing and underpaying of care work and the work of racialized and immigrant women. So, to me that is kind of clear evidence in terms of differences between wage gaps. It's not just about the fact that folks are racialized. It's also linking to those kinds of systemic barriers that we've had for a long time in this country that really, sort of hearkens back to acknowledging the history and legacy of issues like colonialism, racism, ableism, and the gamut. And they continue to permeate our society as well as how we're structured.

**KW:** Sure, and I really appreciate that you brought this perspective of immigration policy into the conversation because I've not heard a lot of conversation around that. We know that newcomers and immigrants in general, but especially immigrant women, face a lot of barriers in the labour market, but hadn't really linked it to policy the ways in which we actually choose the types of workers we're letting in and why and how. So, this is a really important question to raise. This is a question for the federal government to be asking. I hadn't heard that connection, so thank you for bringing that into the conversation. It's something we certainly need to explore and for, you know, reiterating the use of data and the importance of collecting data. And I know that you guys do a great job of doing that. Just to take it a little further, you know this series is going to address some of the hidden biases behind the persistence of the gender wage gap, and so I want to ask you a little bit about the broader biases you see that uphold the continuation of it. I know you've talked a bit about these, but you know, in Canada we've seen over the last 20 years, the gap close by 7%. It's progressed, but it's slow.

**PS:** It's glacial.

**KW:** It’s glacial yes, thank you, that's a better term. It's glacial. And we know that some of the changes can be explained by the gender dimensions of the labour force are changing so more women are going into traditional male dominated roles. There's some analyses that show why, but 70% of the gap remains unexplained. Which is huge, like 70% of it we can't, like, we can show the distribution of men and women across jobs are changing, the proportion of men in unionised jobs is decreasing, so that's bringing their wages down, which is why the gap is closing. So, it's not necessarily a great reason. So, how does the Canadian Women's Foundation categorise or understand or dig into the sort of unexplained aspects of the gender wage gap?

**PS:** Well, I think the fact that they're unexplained begs for explanation, quite frankly. And so when we look at the sort of unexplained factors behind the gender pay gap, there are a few broad themes that I'd like to just take a moment to touch on. One of them is related to caregiving roles and choices. So, research shows that women who have children generally pay a price when it comes to salary. While men actually benefit from becoming fathers. So, that's interesting. The majority of the gender pay gap worldwide opens up around the time of the birth of the first child. So, according to a study by Kaplan in 2018 this is the case even more in some of the world's most equal societies, like Scandinavia. And the motherhood earnings gap persists for at least five years after women return to work following the birth of a child. So, imagine five years before you could actually get back to where you were or catch up with others that have moved forward. And men do not face similar penalties after becoming fathers. In fact, they tend to experience an increase in earnings. And RBC did a report on this, that talks about whether this is because employers see fathers as harder working or more committed than non-fathers, is up for debate. And that's something that probably requires further study. But the fact remains that career costs of parenthood are largely placed on women. And even when children have grown up, mothers continue to face earning penalties associated with caregiving for ageing relatives. So, you're talking about women in that sort of sandwich generation. And given Canada’s rapidly ageing population this really leads us to concern, I think. And then, of course, if I can touch on just another category?

**KW:** Yeah, absolutely.

**PS:** Which is sort of unexplained aspects that are related to workplace social norms and values. So many workplaces actually place high value in workers who have the ability to work traditional schedules, commute to an office every day, and those who are seen to put in most of the work hours, be available around the clock and possibly travel for their jobs. We also know that these are also common characteristics that those who are seen fit for management or leadership roles. So, this mindset contributes to hiring, salary and promotion decisions that clearly impacts women who may be looking for flexible work options with all these sort of care responsibilities that they're having to juggle. And it also means that women are kind of more likely to doubt their ability to take on certain jobs or leadership because it involves sort of remote work and they have to kind of think, that they need to figure out how to actually deal with those challenges, because these norms have already been established to be associated with upward mobility, for example.

**KW:** Several biases there, like where you can see the, sort of the parenting bias and then the perception of mother versus father in the workforce and the level of commitment to work. That's huge. That is massively significant.

**PS:** Yeah. And it really places women in impossible situations. So, you know, I recall hearing stories from women who are sort of retired now, but have had the examples, you know, kind of acting acting like men, so to speak. Like being more aggressive and competitive and taking risks in the workplace, and so men actually benefit from that while women who kind of acted in these ways and take on those kinds of traits face penalty for behaving in these stereotypically unfeminine ways. So, this would indicate that women are often in impossible situations where remaining agreeable to a low salary perpetuates a status quo while asking for a raise and standing up and asserting themselves may be used against them.

**KW:** Right. And so there's this socialisation process of the type of behaviours that are expected by men and women in the workplace, and that contributes to or perpetuates the behaviour, right. As you're saying, women are in an impossible position: they comply or they acquiesce because they know that the consequences otherwise are potentially worse.

**PS:** That’s right.

**KW:** Thank you for outlining these. It's helpful to get managers and business leaders and professionals generally listening to think about the ways in which these biases might be creeping into their own decision making and behaviours. This is why we're having these conversations.

**PS:** Mm-hmm. Important, very important.

**KW:** As we wrap it up, I want to answer a question that has many dimensions to the answer, moral, economic, social, all these things. But I want to hear, because your work is critical in this space, but you know, why is closing the gender wage gap so important? We keep having this conversation. We, you and I are sold on it, we believe in the cause. But why is it so important to continue to strive to achieve this?

**PS:** Well, first I don't think we should stop, because even though we said that it's a slow progress that is glacial, maybe I can't even use that term anymore as we kind of are dealing with issues around this climate change. But I actually not just think it's important, I think it's urgent that we close a gender wage gap. It's one of the root causes of gendered poverty. So, based on the work we do at the Canadian Women's Foundation, we see this. Women are more vulnerable to low income than men in Canada, partially due to the gender pay gap. And I'm going to kind of outline, sort of what happens to women throughout their lifecycle when it comes to the gender pay gap. We know that it impacts all life stages. Research shows that it impacts girls in summer jobs. I think it was Girl Guides Canada that pointed this out in their study. It impacts women, post-secondary students who often leave school with debts to repay and lesser earnings to repay them. And it contributes to a gendered pension gap of a whopping 22%. Where women retire with only about 80% of the pension men retire with. So, overall, it's a lifetime of pay inequality between women and men. And it means that women are disproportionately retiring into financial insufficiency. And sometimes even poverty. So given that women tend to live longer than men and have to support themselves in their later years, it's critical that we address this.

**KW:** Oh, absolutely.

**PS:** And I'd like to point out just yet another reason, key reason to address the gender wage gap is that we know poverty and gender-based violence are intertwined. Based on the work we do and that we support across the country, and the risk of falling into poverty means that women are sometimes forced to stay in abusive relationships despite the danger to themselves and their children. And it's even more urgent to address this issue now because the pandemic has shaken decades of women's economic equality gains. So, men and women have had to scale back on their paid work and experienced other career interruptions during this crisis. And although we're in a new phase of the pandemic where many things have sort of returned to normal, these impacts we know will be felt for the long term. And that is why it's important that we continue to address the gender wage.

**KW:** Thank you very much. I think you outlined a lot showing the compound effect throughout a woman's life. Yes, that girl guide's Canada report was absolutely stunning. As young as 12 years old when girls start babysitting and boys start mowing lawns, that sort of the gender division of labour starts and then the payment changes. That girls and boys are paid differently for that type of work, it shocked me when I read that report, but also gave insight to the early intervention and education we need to have with employers and with women and young girls about their sort of value and worth and how to negotiate and how to enter the labour market educated for themselves. But, it shouldn't always have to be on the girls having to do that for themselves, right?

**PS:** Isn't that interesting, Kadie, that we actually have to start that young with girls, right?

**KW:** Yes.

**PS:** You know, like that's not something I thought about until that study came out.

**KW:** Nor I, and I sat back and said, okay, where do we need to start doing programming in high schools and elementary schools? Like, this is wild. So, that's why it was such a revealing report. Maybe we will link to it in the show notes for folks who want to read it. So, we can understand what you started with at the beginning of this show was sort of the systemic nature of it, right? That sort of, it just goes back to the way that we think about women and work and men and work and kind of breaking down those biases.

**PS:** And then also how generational it is.

**KW:** Exactly, and that's a great point you made about the compounding effect over time, and the link to poverty, which leads to other issues. It's so important to understand just how big and complex this is and how important it is for our society and economy to fix this. So, thank you for all the work you are doing at the Canadian Women's Foundation. We love reading your reports. We follow what you do. It is so great to have advocates and partners in this space and we look forward to continuing the conversation.

**PS:** Thank you, Kadie.

**OUTRO:**

This conversation is part of a series produced by the Pay Equity Commission of Ontario to examine economics, equity, women work and Money. Episodes can be found on www.levelthepayingfield.ca on the YouTube channel of Ontario Pay Equity Office, and wherever you download your podcasts. Please share this episode on your social platforms so we can elevate the equity conversation.