

July 30, 2021

Dr. Karin Schnarr, Chair
Ontario's Task Force on Women and the Economy
By email: submissions@ontario.ca

Submission on Women and the Economy

To Dr. Karin Schnarr, Task Force Chair:

We are writing to provide recommendations on how to stimulate women's economic recovery.

Currently in Ontario, women's unemployment rate sits at 17.2 per cent (vs. 10.2 per cent in February 2020) and the labour force participation rate at 60.8 per cent (vs. 64.6 per cent in February 2020).¹ Now more than ever a gender-responsive, inclusive and job-rich recovery needs to explicitly counterbalance the gender-specific effects of the COVID-19 crisis and create conditions that enable decent work for women.

ONN is the independent nonprofit network for the 58,000 nonprofits in Ontario, focused on policy, advocacy and services to strengthen Ontario's nonprofit sector as a key pillar of our society and economy. For the past four years and with the help of its partners, ONN has been building a "decent work for women" movement. We conducted comprehensive research to better understand barriers to economic security faced by women working in the nonprofit sector (the vast majority of our labour force) and are now focused on implementing solutions.²

Summary

ONN and signatories to this letter urge the Task Force to consider a comprehensive and equitable approach to women's economic recovery that is both extensive and targeted. Extensive in that it addresses structural barriers that prevent women's labour market entry/re-entry and targeted in that it invests in expanding and improving the working conditions of women-majority sectors that tend to be more precarious and undervalued.

- 1. Remove barriers to women entering or reentering the labour market;**
- 2. Raise employment standards for women workers;**
- 3. Create multiple pathways for women to grow and thrive in women-majority sectors and occupations.**

¹ Statistics Canada. "Labour Force Survey in brief: interactive app." July 2021.

<https://www150.statcan.gc.ca/n1/pub/14-20-0001/142000012018001-eng.htm>

² Ontario Nonprofit Network. "Women's Voices - Stories about working in Ontario's Nonprofit Sector." October 2018. <https://theonncan.ca/our-work/our-people/decent-work/womens-voices/>

Any strategy to address the role of women in the economy will miss the mark if it does not focus on women-majority sectors like the care economy (child care, seniors care, social services, etc.). Many economic studies across jurisdictions highlight the power of investing in the care economy for economic recovery. If the approach is not comprehensive, women and women-majority sectors will be left behind despite being key players in the future of work³. By addressing barriers for women across the workforce, raising employment standards and stimulating job creation in the care economy, the Task Force and the Ontario government can truly move the needle on women's economic recovery and future well-being.

Ontario's nonprofit sector is an economic driver and holds communities together

Across urban and rural Ontario, the nonprofit sector plays an essential role in job creation, volunteer engagement, and programs and services that support the well-being of Ontarians. The sector contributes \$65 billion to our province's GDP⁴ and employs over a million workers -- of whom 80 per cent are women, making us a women-majority sector.⁵

As a sector, nonprofits receive less than half of their revenues from governments⁶ and they reinvest all surpluses in their missions, leveraging government revenues through private grants and donations, the sale of goods and services, and volunteer efforts to create additional value for the communities they serve. Many communities, especially those that have been disproportionately impacted by the pandemic, rely heavily on Ontario's nonprofits, including women, Indigenous Peoples, Black and other racialized Ontarians, young people, seniors, people living with disabilities, and newcomers to Canada.

Recommendation 1: Remove barriers to women entering or reentering the labour market

- Use the federal government's child care investments to build an accessible, high quality, licensed, public-and-nonprofit-driven child care system that enhances quality of care, safety and working conditions;
- Invest in gender-based violence services (such as child care services in shelters);
- Invest in attendant care and other supports that women with disabilities depend on;
- Invest in life stabilization factors such as a range of affordable housing options, stronger social assistance programs, and accessible public transportation;

³ The future of work refers to the disruption of the nature of work due to technology.

⁴ Statistics Canada. "Gross domestic product (GDP) and income of non-profit institutions by activity (x 1,000,000)." March 29, 2021.

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610061401&pickMembers%5B0%5D=1.7&pickMembers%5B1%5D=3.1&pickMembers%5B2%5D=4.1&cubeTimeFrame.startYear=2015&cubeTimeFrame.endYear=2019&referencePeriods=20150101%2C20190101>

⁵ Government of Ontario. "Business Sector Strategy: Not-for-profit Sector." August 2012. p. 2.

https://theonn.ca/wp-content/uploads/2015/05/O4B_final_EN_sept13.pdf; Imagine Canada. "Everything you need to know about Canada's charities and nonprofits." August 20, 2021.

<https://www.imaginecanada.ca/en/360/sector-stats>

⁶ Imagine Canada and Canadian Council on Social Development. "The Nonprofit and Voluntary Sector in Ontario: Regional Highlights of the National Survey of Nonprofit and Voluntary Organizations." 2006. http://www.imaginecanada.ca/sites/default/files/www/en/nsnvo/d_ontario_sector_report.pdf

- Prioritize training and skills building alongside targeted workforce development strategies for women;
- Facilitate community and cooperative ownership of enterprises for women entrepreneurs, especially as a wave of small business owners retire.

Women's economic recovery depends on whether they are able to enter or reenter the workforce in the first place. Many barriers constrain diverse women's labour force activities and their lifetime access to economic security.

Three key barriers are the lack of child care, gaps in gender-based violence services, and accessibility for women with disabilities. A high quality, affordable, accessible, and inclusive licensed child care system expanded with federal and provincial investments through nonprofits and the public sector can get women back to work. Adequate gender-based violence services, including child care access onsite at shelters, across rural and urban regions will mean that women can get the support they need and are not left to choose between their safety or a job. When women with disabilities can access attendant care, communication technologies and accessible transportation, they can participate in the economy.

Labour market participation is also severely restricted when women lack access to stable, affordable housing and other elements of a basic standard of living. Certain life stabilization factors must be in place before women can consider paid employment. Increased investment in a range of supportive and affordable housing options, affordable public transportation and income supports will ensure women have equal access to opportunity.

To catalyze women's participation in the labour force, a comprehensive training and skills building plan alongside targeted workforce development strategies for women are needed. The Brookfield Institute, for instance, explores how Ontario retail food workers can transition into child care jobs.⁷ Another way to tackle the issue is through multi-year investments for women-led nonprofits to offer targeted training and skills building programs to women. Not only do these organizations have the expertise on what women need on the ground, but also they can connect them to wraparound supports. In this way then, women can navigate a post-COVID labour market and land good jobs in the "future of work"⁸ to support their families.

Women are not only workers, but business owners and entrepreneurs as well. Facilitating innovative ownership models such as community and cooperative ownership of enterprises, especially as a wave of small business owners retire, is another way to remove barriers for women participating in the labour market while preserving essential local services.⁹ An innovation lab in Waterloo is documenting examples and developing best practices of local businesses that

⁷ The Brookfield Institute. Pathways Forward: Mapping Job Transitions for Ontario Food Retail Workers. June 2021. <https://brookfieldinstitute.ca/wp-content/uploads/BIIE-Job-Pathways-food-II-FINAL.pdf>

⁸ The future of work refers to the disruption of the nature of work due to technology.

⁹ See for example Scale Collaborative's Business Legacies Initiative. <https://scalecollaborative.ca/businesslegacies/>

have transitioned into community or cooperative ownership.¹⁰ In Wisconsin, USA, the Madison Cooperative Development Coalition is a City of Madison initiative that helps form cooperatives with the goal of addressing job creation and business development, especially among marginalized groups.¹¹

With the right actions, the Government of Ontario can help hard-working women prepare for lifelong careers that their families – and our communities – can depend on.

Recommendation 2: Raise employment standards for all women workers

- Institute permanent paid sick days;
- Increase the minimum wage so it reflects a livable wage;
- Institute equal pay for equal work across employment statuses;
- Proclaim the Pay Transparency Act;
- End misclassification of workers.

The foundation for both a healthy economy and women’s economic recovery is one and the same - high job quality where work is fair, stable, and productive. Decent work¹² spreads opportunity more widely and fairly and we know that women in Ontario are concentrated in precarious and low-waged work. Employment standards are the backbone of decent work as they regulate the minimum conditions of employment

Decent work means women have access to permanent paid sick days so they do not have to choose between their health, income, or caregiving responsibilities.¹³ It also means women, particularly those working in low-waged and devalued yet essential work, are paid living wages so they can support themselves and their families.¹⁴ Decent work encompasses mechanisms that raise the floor specifically for women’s wages so they are not perpetually left behind in the economy. Equal pay for equal work ensures women are not penalized by their employment status

¹⁰ Will Volpe. “Building Back Better: Social Acquisitions as a Sustainable Recovery Solution.” Legacy Leadership Lab, University of Waterloo. Oct. 13, 2020.

<https://uwaterloo.ca/legacy-leadership-lab/blog/post/building-back-better-social-acquisitions-sustainable>

¹¹ See for example Co-operative Enterprises for Job Creation and Business Development.

<https://www.cityofmadison.com/dpced/economicdevelopment/co-operative-enterprises-for-job-creation-and-business-development/1646/>

¹² See: International Labour Organization on Decent Work

<https://www.ilo.org/global/topics/decent-work/lang-en/index.htm>

¹³ Statistics Canada. “Gender differences in employment one year into the COVID-19 pandemic: An analysis by industrial sector and firm size.” May 26, 2021.

<https://www150.statcan.gc.ca/n1/en/pub/36-28-0001/2021005/article/00005-eng.pdf?st=FKoos5DM>

¹⁴ See essential worker wages: Ministry of Long-Term Care. “Long-Term Care Staffing Study.” July 30, 2020.

<https://www.ontario.ca/page/long-term-care-staffing-study#section-0>; Statistics Canada. “Study: Child care workers in Canada.” June 25, 2021.

<https://www150.statcan.gc.ca/n1/en/daily-quotidien/210625/dq210625a-eng.pdf?st=ueXdixsB>

if working part-time or on a casual basis (where women are over-represented).¹⁵ Pay transparency gives women workers the information they need to ensure they are being paid fairly.¹⁶

Women workers can only access these aspects of decent work if there is an end to the misclassification of workers by which employers evade employment standards by classifying employees as independent contractors. Gig and platform work is no longer unique to ride-sharing and food delivery sectors, we are seeing it creep into care work.¹⁷ This can be seen in seniors' care as "just-in-time-work" as well. Any regulation or lack thereof for gig and platform work has the potential for unintended consequences in other sectors as well, such as a decrease in quality of care for our vulnerable populations. A lack of comprehensive regulation of gig and platform work will widen the gap even further between good and bad jobs, particularly to the detriment of Black, newcomer and racialized women, women with low incomes and women with disabilities.

As Labour Minister McNaughton has noted, our future of work needs to be an abundance of good-paying jobs that enable people to support their families and their communities.¹⁸ Employment standards that facilitate decent work promote stability and can incentivize continued labour market participation, reduce reliance on income supports, and ensure women do not remain concentrated in the low-paid end of the labour force or drop out completely.

Recommendation 3: Create multiple pathways for women to grow and thrive in women-majority sectors and occupations

- Stimulate job creation in the care economy by expanding public-and-nonprofit-driven care services such as child care and seniors' care;
- Establish wage grids, retain pandemic pay supplements, and ensure wage parity between institutional (e.g. hospitals) and community sectors for all care workers;
- Exempt nonprofits that provide services on behalf of the government from Bill 124 (wage restraint) in the same way that it exempts for-profit corporations which do the same.

Women's economic recovery must include multiple pathways for women to grow and thrive in women-majority sectors, like the nonprofit sector. Women's economic recovery will not happen if only industries, sectors, and occupations in which women are underrepresented are targeted. Pre-COVID strategies that focus on increasing women's representation in entrepreneurship or science, technology, engineering, math (STEM) and trades, are not sufficient. These strategies do not impact most women nor do they address the undervaluing of work in which women are concentrated.

¹⁵ Statistics Canada. "Proportion of workers in full-time and part-time jobs by sex, annual." January 27, 2021. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410032703>; Statistics Canada. "The gender wage gap in Canada: 1998 to 2018." October 11, 2019.

<https://www150.statcan.gc.ca/n1/en/pub/75-004-m/75-004-m2019004-eng.pdf?st=DX83rAUF>

¹⁶ Statistics Canada. "Pay Transparency and the Gender Gap." September 16, 2019.

<https://www150.statcan.gc.ca/n1/en/pub/11f0019m/11f0019m2019018-eng.pdf?st=FMs2NFkO>

¹⁷ Tara Losinski. "The Uber(ization) of In-Home Health Care." June 17, 2018.

<https://www.everythingzoomer.com/lifestyle/2018/06/17/in-home-care-app/>

¹⁸ Monte McNaughton. "Monte McNaughton: Our future is good jobs for workers and their families." June 17, 2021. <https://nationalpost.com/opinion/opinion-what-will-the-future-of-work-look-like-in-ontario>

Historically, women have been concentrated in industries and occupations that are aligned with their traditional gender roles, namely care work such as child care, seniors' care, and caring for people with disabilities.¹⁹ Black, immigrant, migrant and undocumented women are particularly concentrated in care work. These industries and occupations have a disproportionate share of low-waged and precarious work and are vastly undervalued, which significantly drives down women's economic security overall. Many of these industries and occupations are found in the nonprofit sector.²⁰

In the future of work, care jobs are the fastest growing jobs and, as the pandemic has highlighted, they are also essential to Ontario's economy.²¹ Care jobs are the supports and services that allow Ontarians to work, grow and thrive. These jobs meet the physical, psychological and emotional needs of adults and children, old and young, frail and able-bodied.²² Investment in care infrastructure fuels strong families and communities, just like investments in transportation, roads, bridges, the electrical grid, and public health. Many care work industries are part of the nonprofit sector.

Demand for care in Ontario is going to grow exponentially as baby boomers age, our working age population shrinks and women's participation in the labour market increases (as women usually take on the bulk of unpaid care work). The OECD reports that in 2015, globally there were 28 people aged 65 and over for every 100 people of working age and by 2050, this ratio is projected to double.²³ Unlike in other sectors where technological disruption is eradicating jobs, care jobs are projected to grow in the future of work. Technology will not take over care jobs, but rather assist in doing the work. The World Economic Forum forecasts that over the next three years 37 per cent of projected job opportunities are in emerging professions in the care economy.²⁴

¹⁹ Ontario Nonprofit Network. "Decent Work for Women - A literature review of women working in Ontario's nonprofit sector." 2018. <https://theonnc.ca/our-work/our-people/decent-work/literature-review/>

²⁰ Canadian Women's Foundation, Canadian Centre for Policy Alternatives, Fay Faraday and Ontario Nonprofit Network. "Resetting Normal: Women, Decent Work and Canada's Fractured Care Economy." June 2020. <https://theonnc.ca/our-work/our-people/decent-work/resetting-normal/>; Canadian Women's Foundation, Canadian Centre for Policy Alternatives, Kathleen Lahey. "Resetting Normal: Funding a Thriving Women's Sector" May 2020. <https://theonnc.ca/our-work/our-people/decent-work/resetting-normal/>

²¹ Institute for Women's Policy Research. "Future of care work." September 23 2019. https://iwpr.org/wp-content/uploads/2020/07/C486_Future-of-Care-Work_final.pdf; Institute for Women's Policy Research. "Women, Automation, and the future of work." May 23, 2019. <https://iwpr.org/iwpr-issues/employment-and-earnings/women-automation-and-the-future-of-work/>; Women Deliver. "How a business can build a 'future of work' that works for women." 2019. <http://womendeliver.org/wp-content/uploads/2019/08/BSR-WomenDeliver-Future-of-Work-for-Women-Framework.pdf>

²² International Labour Organization. "Care Work and Care Jobs for the Future of Decent Work." June 28, 2018. https://www.ilo.org/wcmsp5/groups/public/--dgreports/--dcomm/--publ/documents/publication/wcms_633135.pdf

²³ Organisation for Economic Co-operation and Development. "OECD Employment Outlook 2019: The Future of Work." April 25, 2019. <https://doi.org/10.1787/9ee00155-en>

²⁴ World Economic Forum. "Jobs of Tomorrow: Mapping opportunity in the new economy." January 2020. http://www3.weforum.org/docs/WEF_Jobs_of_Tomorrow_2020.pdf

The pandemic has highlighted and increased unmet needs for affordable and quality care services, especially child care and seniors' care; the current supply of care workers is not enough to meet the demand. The supply of care workers would expand if job quality were improved. In our networks, we have seen many care work positions go unfilled because these demanding but rewarding jobs are insufficiently compensated.

The International Labour Organization estimates that each dollar invested in the care economy has the potential to generate two to four times more jobs than if the same dollar was spent on other sectors, such as physical infrastructure and construction.²⁵ A pair of UK economists have specifically modelled a care-focused COVID recovery, comparing investments in the care economy to have much greater “bang for the buck” than investments in construction. In studying select European Union countries and the United States, these economists found that matching employment and wages in care work to the high levels of Scandinavian countries would raise employment rates by more than five percentage points and halve most gender employment gaps.²⁶

Modelling from Australia shows that increased tax revenue from increased labour market participation and indirect effects would offset 80 per cent of the cost to the government in investing in the care economy.²⁷ Similarly, research from the UK forecasts that investing in care rather than in construction would create 2.7 times as many jobs and increase overall employment rates by 5 per cent. Half the investment could be recouped by the Treasury in direct and indirect tax revenue, and the policy choice would produce 30 per cent less greenhouse gas emissions.²⁸ In economic modelling for the US, an annual public investment of \$77.5 billion in child care, residential care, and home health care would generate over \$220 billion in new economic activity annually and 22.5 million new jobs over 10 years.²⁹

Other countries are taking note. In Argentina, budgeted investments in care amount to 6.6 per cent of total public investment while the proposed United States American Jobs Plan has a strong focus on investments in health care and child care.³⁰

²⁵ International Labour Organization. “A Guide to Public Investments in the Care Economy.” March 2021. https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_767029.pdf

²⁶ Jérôme De Henau and Susan Himmelweit. “A Care-Led Recovery from COVID-19: Investing in High Quality Care to Stimulate and Rebalance the Economy.” March 2021. <https://www.tandfonline.com/doi/full/10.1080/13545701.2020.1845390>

²⁷ National Foundation for Australian Women. “Press release: NFAW independent modelling shows Economic Boost from increased funding in the CARE SECTOR.” October 19, 2021. https://nfaw.org/news/nfaw-independent-modelling-shows-economic-boost-from-increased-funding-in-the-care-sector/?fbclid=IwAR1eY3KDD037cA9fIRKzbqAxyR8_7G58fU6UJ1TrZimEfMutQ2fFxQ-tAQQ

²⁸ Women’s Budget Group (UK). “A Care-Led Recovery from Coronavirus.” June 30, 2020. Report available at: <https://wbg.org.uk/analysis/reports/a-care-led-recovery-from-coronavirus/>

²⁹ Time’s Up Foundation. “It’s Time to Care: The Economic Case for Investing in a Care Infrastructure.” February 2021. <https://timesupfoundation.org/work/times-up-impact-lab/times-up-measure-up/its-time-to-care-the-economic-case-for-investing-in-a-care-infrastructure/>

³⁰ International Labour Organization. Building Forward Fairer: Women’s rights to work and at work at the core of the COVID-19 recovery.” July 2021.

But the care economy cannot grow if its workforce is subject to arbitrary wage controls. Exempting nonprofits from Bill 124, Protecting a Sustainable Public Sector for Future Generations Act, 2019, will ensure care jobs remain good-paying jobs and assist in recruitment, retention and succession planning to meet demand in the future of work while lifting women workers. Evidence on compensation highlights that salary levels in the nonprofit sector are not growing at the same rate as public and private salary levels and so do not need wage restraints. The average wage for employees in the community-governed nonprofit sector, as reported by Statistics Canada, was \$42,500 in 2017, compared to \$59,800 for the workforce as a whole.³¹

Many nonprofits also compete for talent with for-profit service providers, who are explicitly exempt from Bill 124 wage restraint measures, despite operating in many of the same industries as nonprofits (long-term care, home care, child care, employment & training services, etc.). Many nonprofits that receive provincial funding have gone five, ten, or more years without a cost-of-living increase to base funding, meaning that they are under pressure to maintain a labour force and thus service levels amid growing demand. Bill 124 sets up an unfair playing field for recruitment and retention in these areas. The wage restraint measures will only exacerbate the unmet need for care services and a shortage in supply of care workers.

Conclusion

Thank you for giving serious consideration to our recommendations for an extensive and targeted approach to women's economic recovery in Ontario. By eradicating barriers to women's labour force participation, raising employment standards and creating pathways for women to grow and thrive in women-majority sectors, women can be at the forefront of Ontario's economic recovery and its future of work.

We look forward to further consultations with the Ontario government on this matter.

Sincerely,

Submission Signatories:

Association of Early Childhood Educators Ontario
 Barbra Schlifer Commemorative Clinic
 Canadian Centre for Policy Alternatives
 KCWA Family and Social Services
 North York Women's Centre
 Ontario Association of Interval & Transition Houses
 Ontario Nonprofit Network
 Scarborough Women's Centre
 South Asian Women's Rights Organizations
 Time's Change Women's Employment Service

https://www.ilo.org/wcmsp5/groups/public/--dgreports/--gender/documents/publication/wcms_814499.pdf

³¹ Statistics Canada. "Non-profit institutions and volunteering: Economic contribution, 2007 to 2017"
<https://www150.statcan.gc.ca/n1/en/daily-quotidien/190305/dq190305a-eng.pdf?st=f64EzeDq>

YWCA Ontario: YWCA Cambridge, YWCA Muskoka, YWCA Sudbury, YWCA Peterborough-Haliburton, YW Kitchener-Waterloo, YWCA Hamilton, YWCA Durham
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