

Written Submission for the Pre-Budget Consultations in Advance of the 2019 Budget

Women's economic equality: the path to economic
growth

Oxfam Canada

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RECOMMENDATIONS

Invest in women's economic equality in Canada

- **Invest \$1 billion in 2019-2020 in childcare and move towards universal child care** by setting a 10 year timetable to reach the OECD target of 1% of GDP. Enact national legislation grounding child care in universality, quality and comprehensiveness and include a workforce strategy to ensure caregivers have decent work that pays living wages.
- **Support a living wage for women** by raising the minimum wage for workers under federal jurisdiction to a living wage. Use federal government procurement to support women-led businesses and favour companies that pay living wages and protect labour rights, particularly collective bargaining.
- **Expand women's access to employment insurance** by modernizing the employment insurance system to tie access, level and duration to need rather than earnings.
- **Allocate \$500 million to launch a National Action Plan to Prevent and Address Gender-based Violence**, developed in collaboration with the federal, provincial, territorial, municipal and Indigenous governments to address the root causes of gender discrimination and ensure women everywhere in Canada have access to the same services.
- **Invest \$100 million a year in Status of Women Canada to support feminist and women's rights organizations and movements** to address the systemic barriers to women's economic equality and gender equality writ large.

Demonstrate global leadership on women's rights

- **Develop a robust 10-year plan to achieve the UN aid target of 0.7% of gross national income.** Ensure private finance for development is additional to official development aid, not a substitute, and closely aligned with the goals of the Feminist International Assistance Policy.
- **Invest \$700 million a year for 10 years starting in 2020 in sexual and reproductive health and rights** with a focus on the neglected areas of SRHR including comprehensive sexual education, abortion, adolescent SRHR and comprehensive contraception care, as well as funding for women's rights organizations to engage in SRHR advocacy.
- **Increase international assistance investments in women's rights organizations and feminist movements to \$2.2 billion over 10 years**, building on the Women's Voices and Leadership initiative.
- **Launch a feminist foreign policy** that brings coherence to Canada's aid, trade, defense and diplomacy policies and appoint a high-level champion to oversee implementation and engagement with other countries to build a Group of Friends.

Strengthen Canada's gender budgeting approach

- **Apply an intersectional lens to all gender-based analysis** and ensure women who are most systematically marginalized—Indigenous women, women of colour, women with disabilities,

LBTQI—are supported and resourced to participate in budget processes so that policies are responsive to their realities and address their unique challenges.

- ***Collect more and better disaggregated data, going beyond age and sex and applying an intersectional lens in order to track and understand progress made by policies and investments dedicated to promoting gender equality, including amongst marginalized groups of women.***
- ***Establish an advisory council on gender budgeting that includes representatives of women’s rights organizations and opens the door for diverse groups. The advisory council should assist the government in increasing its capacity to do gender budgeting, making the process more inclusive and setting clear gender equality priorities and targets for all upcoming federal budgets.***
- ***Ensure that at least 15% of the witnesses in the Standing Committee on Finance pre-budget consultation hearings are women’s rights organizations or focus their testimony on recommendations to advance gender equality. For subsequent consultations, the Committee should also provide guidance to encourage all submissions to address the implications of their recommendations on gender equality.***

Introduction

Earlier this year, Oxfam published its annual flagship inequality report. The findings are clear: inequality is out of control. Of all the wealth created worldwide last year, 82% went to the richest 1% of the global population while the 3.7 billion people who make up the poorest 50% of the world saw no increase in their wealth.¹ This global trend also rings true in Canada. Last year, the richest 1% in Canada saw their wealth increase by 32% and Canadian billionaire fortunes grew by a staggering \$28 billion—enough to pay for universal child care and lift 4.9 million Canadians out of poverty.²

Inequality is bad for everyone, but it is especially bad for women. Much of the wealth of the rich is built on the backs of poor women, who provide free and cheap labour. Around the world, as in Canada, women are vastly overrepresented in the poorest-paid and least secure jobs. They also face major obstacles to lift themselves out of poverty. According to the World Economic Forum, the economic gender gap continues to widen and they estimate that at current rates of progress it will take 217 years to close it.³ Canada also has a long way to go to close the economic gender gap, ranking 29th globally.

Budget 2018, termed the Gender Budget, saw some major investments in and measures to advance gender equality and close the economic gender gap—it included investments for the women’s movement, pro-active pay equity legislation, second caregiver leave, gender budgeting legislation and an increase to foreign aid. These demonstrated a commitment to levelling the playing field for women,

¹ D.A.V. Pimentel, I. Macías Aymar, and M. Lawson. (2018). *Reward Work, Not Wealth*. Oxford: Oxfam International.

² Calculation is based on data provided by the Credit Suisse Global Wealth Data Book and compared against the annual ranking of billionaire wealth created by Forbes. According to the OECD, it takes roughly 1% of GDP to pay for universal child care, so \$15,6 billion. According to a study by the National Council of Welfare, it would cost approximately \$12.3 billion to lift the 4.9 million Canadians living below the poverty line to go above it.

³ World Economic Forum. (2017). *The Global Gender Gap Report 2017*. Geneva: World Economic Forum.

in Canada and abroad. However, despite these considerable advancements, there are several areas where the government has fallen short (see Oxfam Canada's [2018 Feminist Scorecard](#)).

Budget 2019 is this government's chance to address some key shortfalls and to consolidate its feminist leadership at home and around the world when it comes to making the economy work for women. With only one year left in its mandate, the government should prioritize the following key investments and measures to ensure women everywhere benefit from the gains they contribute.

Invest in women's economic equality in Canada

Women in Canada continue to be economically disadvantaged in comparison to men, despite high levels of education. A study on women's economic security conducted by the Parliamentary Standing Committee on the Status of Women found that "factors contributing to women's economic insecurity are numerous and include systemic and structural barriers in the economy."⁴ The OECD's Economic Survey of Canada revealed that Canada is still lagging behind when it comes to female labour force participation.⁵ The labour force gap between men and women—close to 10 percentage points—has merely budged in the past two decades, despite clear evidence that closing this gap is critical to Canada's economic growth.⁶

Despite solid evidence that investments in child care are essential to increase female labour force participation and grow the economy, Canada continues to spend less on care resources for women in paid work than any other OECD country—a meagre 0.2% of GDP.⁷ Women continue to bear a disproportionate burden of unpaid care work spending on average 50% more time on unpaid work than men.⁸ A study by the Canadian Centre for Policy Alternatives found that 44% of non-school aged children, roughly 776,000, live in "child care deserts", communities where child care spaces are not available.⁹ Investing in child care is the most effective and transformative investment the federal government can make to close the gender gap in the economy.

At the same time, too many women are stuck in precarious, low-paid and unsafe jobs. Women make up 70% of part-time, casual and temporary workers and 60% of minimum wage earners.^{10 11} Because of the precariousness of their employment, many women have difficulty accessing employment insurance or receive such low levels of EI that they are forced to move from one low paid job to another. The gender

⁴ The Standing Committee on the Status of Women. (June 2018). *Women's Economic Security: Securing the Future of Canada's Economy*. Ottawa: House of Commons.

⁵ OECD. (June 2018). *OECD Economic Surveys Canada*. Retrieved 23 July 2018, from <http://www.oecd.org/eco/surveys/Canada-2018-economic-survey-key-policy-insights.pdf>

⁶ Statistics Canada. (May 2018). *The Surge of Women in the Workforce*. Retrieved 25 July 2018, from <https://www150.statcan.gc.ca/n1/pub/11-630-x/11-630-x2015009-eng.htm>

⁷ C. Olivetti and B. Petrongolo. (2017) "The economic consequences of family policies: lessons from a century of legislation in high-income countries." *Journal of Economic Perspectives*, Vol. 31 no. 1.

⁸ P. Houle, M. Turcotte, and M. Wendt. (2017). *Changes in Parents' Participation in Domestic Tasks and Care for Children from 1986 to 2015*. Retrieved 15 February 2018, from Statistics Canada: <http://www.statcan.gc.ca/pub/89-652-x/89-652-2017001-eng.htm>

⁹ D. MacDonald. (June 2018). *Child Care Deserts in Canada*. Ottawa: Canadian Centre for Policy Alternatives.

¹⁰ M. Moyser. (March 2017). *Women and Paid Work*. Retrieved 25 July 2018, from Statistics Canada: <https://www150.statcan.gc.ca/n1/pub/89-503-x/2015001/article/14694-eng.htm>

¹¹ Canadian Women's Foundation. *The Facts about Women and Poverty in Canada*. Retrieved 25 July 2018, from: <https://www.canadianwomen.org/the-facts/womens-poverty/>

wage gap remains significant hovering at 32% on average and as high as 45% to 55% for Indigenous women, immigrant women and women with disabilities.¹² Gender-based violence makes it difficult for women to hold down and perform well in a job and costs the Canadian economy \$7.4 billion annually.¹³

Demonstrate global leadership on women's rights

Around the world, hard won gains to advance gender equality are under threat as conservative and fundamentalist forces take power and systematically roll back women's rights, particularly in the area of sexual and reproductive health and rights (SRHR). In this context, it is critical that Canada continues to champion gender equality and support women's rights organizations. While Canada's Feminist International Assistance is poised to make a difference for women and girls around the world, results would be more pronounced if Canada was not lagging behind in its responsibility to reach the UN aid target of 0.7% of gross national income (GNI). Last year's budget announcement of an additional \$2 billion over five years was welcome, but this amount will do little to budge Canada's current aid/GNI ratio of 0.26% or improve its ranking amongst OECD peers, where Canada currently ranks 16th.¹⁴ A substantive level of investment is needed to ensure Canada pays its share to achieve the Sustainable Development Goals by 2030.

Gender inequality is a key driver of poverty and inequality worldwide. Women around the world continue to earn less than men, have less access to resources and education, are under-represented in decision-making and carry a disproportionate burden of unpaid care work. In order to boost women's economic empowerment and gender equality globally, Canada needs to take a more comprehensive and coherent approach to ensure efforts in one area of foreign policy are not undermined by policy decisions in the other foreign policy areas. The way Canada conducts business around the world directly impacts women's security and as such greater attention and efforts are needed to assess the gender impacts of all actions and identify ways to promote gender equality within all of Canada's foreign policy priorities.

Strengthen Canada's gender budgeting approach

The federal government has taken great leadership in advancing gender budgeting and enshrining it in legislation. It is now pertinent to strengthen the application of gender budgeting across the whole-of-government by applying a feminist approach and ensuring women's voices and experiences are at the heart of budget and decision-making processes.

Central to the implementation of a feminist approach are intersectionality, agency and process. Intersectionality is a framework that recognizes the multiple aspects of identity that play out in everyone's life and experiences, such as class, race, ethnicity, ability and sexuality and that compound and exacerbate discrimination and marginalization. Agency refers to an individual or group's ability to make choices, and to transform those choices into desired outcomes. A feminist lens is not just about

¹² See Ontario Equal Pay Coalition.

¹³ Canadian Women's Foundation. *The Facts About Gender-Based Violence*. Retrieved 25 July 2018, from <https://www.canadianwomen.org/the-facts/gender-based-violence/>

¹⁴ OECD. (April 2018). *Development aid stable in 2017 with more sent to poorest countries*. Paris: OECD Development Assistance Committee. Retrieved 26 July 2018, from <http://www.oecd.org/development/financing-sustainable-development/development-finance-data/ODA-2017-detailed-summary.pdf>

results, but also process. Fundamental to feminist process are integrity, contextualization, learning, collaboration, inclusivity and responsiveness.