



CANADIAN FEDERATION  
OF NURSES UNIONS  
LA FÉDÉRATION CANADIENNE  
DES SYNDICATS D'INFIRMIÈRES  
ET INFIRMIERS

## POSITION STATEMENT

### Pay Equity

#### BACKGROUND AND OVERVIEW<sup>1</sup>

Fair pay means that the work women and men do is equally respected and valued. However, for generations, women in Canada have been paid less than men for work of equal value. Work traditionally done by women – like work in the caring professions – has always been undervalued, compared to work dominated by men. No matter what their level of education, or whether they work full or part time, women face wage discrimination across all sectors. Canada is ranked as having the 8th-highest gender pay gap out of a list of 43 countries examined by the OECD, based on 2016 data. Comparing annualized earnings, by gender, for both full-time and part-time workers, women in Canada earned an average of 69 cents for every dollar earned by men in 2016. The wage gap is even greater for Indigenous and racialized women, as well as those with disabilities. It is estimated that if current trends continue, it will take over 200 years to close the wage gap.<sup>2</sup> Women, who make significantly less throughout their working lives, are also more likely to live and retire in poverty.

Thanks to the labour movement, this pay gap is much smaller for women within unions, but the goal of the labour movement is to promote income equality across the board for *all* working women, recognizing the widespread economic benefits inherent in reducing wage gaps. Collective bargaining and pay equity measures significantly reduce the wage gap for women.<sup>3</sup> However, in an economy where the trend is towards precarious labour, short-term contracts or piece work, women are increasingly vulnerable.

On October 29, 1999, the federal government announced its plan to implement the largest pay equity payout in Canada's history, a victory for the Public Service Alliance of Canada, which had filed its original complaint on behalf of its members in 1984 with the Canadian Human Rights Commission.

In 2001, a federal Pay Equity Task Force was appointed, and its report tabled in 2004 made over a hundred recommendations to address the gender wage gap in Canada, providing a proactive roadmap to end wage discrimination. The 2004 report also noted that wage discrimination exists for people with disabilities, Indigenous workers and racialized workers.

Since 2004, the Canadian labour movement, under the leadership of the Canadian Labour Congress, has continued to lobby for change.

In December 2018, Canada finally passed a federal *Pay Equity Act*. While this is a step forward, the law will not come into effect until regulations are developed and a new Pay Equity Commissioner is in place. After that, employers will be allowed to take up to eight years to develop plans and make adjustments.

At the provincial government level, only two provinces – Ontario and Quebec – have proactive pay equity laws covering both public and private sector workers. Under these laws, employers must take active steps to identify and eliminate wage discrimination. Several provinces have no pay equity legislation at all. The Canadian labour movement is continuing to lobby for proactive pay equity laws in all jurisdictions in Canada to ensure that workers in both the public and private sectors have their rights respected.

Meanwhile, in an effort to keep the pressure on both federal and provincial governments to move forward on developing and implementing pay equity, the Canadian Labour Congress has launched a campaign called Done Waiting,<sup>4</sup> which calls for an end to wage discrimination, for action on child care, and for an end to sexual harassment and violence.

## CFNU POSITION

The Canadian Federation of Nurses Unions (CFNU) recommends that:

- The federal government work with unions and employers to develop pay equity regulations in a timely fashion.
- The federal government close any loopholes in regulations that allow employers to avoid meeting their obligations under the law.
- The federal government introduce pay transparency measures, including an obligation to file pay equity plans as well as details about compensation for workers in all equity-seeking groups.
- The federal government ensure that the office of the Pay Equity Commissioner has sufficient funding to implement the pay equity legislation and hold employers accountable.
- All jurisdictions enact proactive pay equity laws covering both public and private sector workers.

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<sup>1</sup> Government of Canada. <https://www.canada.ca/en/treasury-board-secretariat/services/innovation/equitable-compensation/fact-sheet-evolution-pay-equity.html>; Canadian Labour Congress.

<https://canadianlabour.ca/research/issues-research-closing-gender-pay-gap/>

<sup>2</sup> Canadian Women's Foundation. <https://www.canadianwomen.org/the-facts/the-wage-gap/>

<sup>3</sup> Institute for Women's Policy Research. <https://iwpr.org/publications/union-advantage-women-2018/>

<sup>4</sup> Canadian Labour Congress. <http://www.donewaiting.ca/>