

A growing concern: Ontario's gender pay gap ^[1]

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AVAILABILITY

- **Report in PDF** ^[2] [see pg. 21 for start of child care section]
- **Press release:** "Price of inaction: Ontario's gender pay gap growing" ^[3]

Summary:

Last year, the Ontario Equal Pay Coalition, in partnership with the Canadian Centre for Policy Alternatives' Ontario office, began tracking two key trends in its 2013 report, 10 Ways to Close Ontario's Gender Pay Gap:

1. the pay gap between men and women in Ontario and,
2. the date in the calendar year that demarcates how much longer women have to work to earn the amount that men earn in a year.

This year's report examines whether there has been any change in the pay gap and denotes a troubling development.

A year later, we find the gap has grown to 31.5% - on average, women made 68.5 cents for every man's dollar in 2011. This is the price of inaction. In dollar terms: men's average annual earnings increased by \$200 - from \$48,800 in 2010 to \$49,000 in 2011 - but women's average earnings decreased by \$1,400 - from \$35,000 in 2010 to \$33,600 in 2011.

This report not only documents the worsening gender pay gap in Ontario, it scouts a range of municipal, provincial, national and international best practises to guide policy makers intent on narrowing the gap. There are plenty of options at hand. This report offers a 10-point plan to get us there.

Step 8: Provide affordable and accessible child care

Some limited progress was made on this step with the government's introduction of the Child Care Modernization Act in December 2013 and the modest increase in the Ontario Child Benefit, effective July, 2013. The government's full-day kindergarten phase-in over a five-year period now reaches approximately 122,000 children, or nearly half of Ontario's four- and five-year-olds. However, with only about 20 per cent of children under age five having access to regulated child care in Ontario, much remains to be done.

Ontario women with children are limited in gaining access to jobs and bringing home higher annual earnings because they continue to disproportionately shoulder family responsibilities.⁹⁶ At the same time, a TD report clearly makes the link between accessible and affordable child care, increasing workforce participation and economic recovery.

The proposed Child Care Modernization Act provides an important new framework for child care in Ontario. The government states it will substantially increase spaces for children across the province by, in part, increasing the number of children who can be cared for per staff member and ensuring school boards offer before and after-school programs for six to 12-year-olds where sufficient demand. The government estimates that its proposed new Regulations to the Day Nurseries Act (which increase the number of children to be cared for by staff) will "potentially reduce what parents/families pay in child care fees, and subsidy costs for children up to age 6 years, by approximately \$3,500." However critics argue that any such reduction would come at the cost of quality of care as the proposed Regulations are not in line with expert recommendations for staff-child ratios and that child care fees are still unaffordable. Based on Ontario's 2012 survey of child care operators, the current median fees for preschool entry child care programs per day are: infant - \$50.00; toddler - \$42.30; and preschool - \$38.00. This is in sharp contrast to the Quebec model, where child care centres with trained staff provide care and early learning at the subsidized rate of \$7 per day.

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The Ontario Coalition for Better Child Care calls for a \$300 million public investment to reduce parent fees and raise wages to retain qualified staff." The Toronto Dominion Report documented that Ontario is significantly behind other countries in child care investments. Studies have concluded that every dollar invested in child care increases the economy's output (GDP) by \$2.30, which has a larger impact on the Canadian economy than a dollar used to support most other major economic sectors, most government programs, and the short-term impact from taxes via stimulus effects. Currently, Ontario child care funding is provided by municipal, provincial, and federal governments as well as parent fees. As funding is provided to local government authorities, this is another reason for including such authorities in the process of developing plans to close the pay gap.

Step #9 Mainstream Equity Compliance into Government Laws and Policies

In 2013, the Ontario government has communicated to some public sector community services agencies that it is "ending pay equity funding" as part of its effort to take sustainable measures to "manage with available resources" given the current economic climate. The provincial government, over the years, has eliminated designated pay equity funding for achieving pay equity in various parts of the public sector, funding which was the hallmark of its early years of pay equity enforcement. There is also no designated public funding system for adjustments to maintain pay equity in the public sector. Women in BPS agencies increasingly are working at discriminatory pay because their agencies are being denied sufficient government funding to ensure public services are provided free of gender discrimination.

Child care funding is another example of this problem. While there is still some designated pay equity funding in this area, it is inadequate and does not allow for maintaining equitable wages.¹¹¹ The Ontario government is the majority funder in the child care system and, until 2012, it provided various wage funding grants to child care centres. The child care funding formula implemented in 2013 took several existing child care wage grants and collapsed those grants into a new funding stream of core funding which could be used by municipalities for any purpose.

For the first time in more than 20 years, there is no Ontario program with the goal of increasing the inequitable wages of child care staff. In 2013, the Ministry's own wage survey showed that the majority of early childhood educators and child care staff make inadequate wages for the skill of the work. For example, Registered Early Childhood Educator wages range from \$15.67 to \$19.19 per hour. Without adequate wage funding, child care centres must choose between providing accessible child care at reasonable fees and providing equitable pay. At the same time, the Ontario government negotiated to give the male-dominated Ontario Provincial Police constable with three years on the job an annual base salary before overtime of \$90,621 which is about \$51.00 per hour.

Related link: "Gender wage gap: Synthesis of findings" (Carole Vincent, Canadian Research Data Centre Network, Sept 2013) ^[4]

Region: Ontario ^[5]

Tags: gender ^[6]

pay equity ^[7]

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Links

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[3] <https://www.policyalternatives.ca/newsroom/news-releases/price-inaction> [4] https://crdcn.org/sites/default/files/carole_vincent_synthesis_final_2.pdf [5]

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