

Closing the gender wage gap^[1]

Author: Human Resources Professionals Association (HRPA)

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AVAILABILITY

Full report PDF^[2]

Introduction

The gender wage gap is the difference between the income earned by women and by men. It can be calculated in many different ways, however, the most recent data from Statistics Canada estimates the gap to be anywhere between 12 per cent to 31.5 per cent. It is a real and substantial issue facing the Ontario economy, and the Royal Bank of Canada estimates that Canadian incomes would rise \$168 billion each year if the wage gap closed. While this growth would have a positive effect on the economy in the long term, the government must also be mindful of the impact this would have on businesses and the costs of their goods and services as salaries rise. Within this context, is it important that policy makers attempt to bring about meaningful change, while always mindful of the impact on businesses.

Much research has already been conducted by the Province of Ontario as part of its ongoing consultation on how to close the wage gap between men and women. This research identifies the significance and prevalence of the issue, the social and financial benefits of addressing the issue, as well as some of the underlying causes. In this paper, the Human Resources Professionals Association (HRPA) will build off this research by offering several policy solutions that both government and business can implement to help address some of the underlying problems. The recommendations laid out below are based upon a scan of various studies, actions taken by other jurisdictions, and the findings of a survey of 912 HRPA members, conducted online from December 10-16, 2015.

The underlying factors associated with the gender wage gap are believed to occur at various stages of a woman's life, often starting early on during childhood education, and following through to the workplace.

This paper will focus on six of those stages:

- Education and choosing a career path;
- Negotiating;
- Getting hired;
- Wage transparency;
- Performance evaluations; and,
- Workplace flexibility.

The factors identified throughout this report, often the result of unconscious biases, should not be considered individually. Rather, they are components of the problem that, when added together over a person's life, can contribute to establishing the gender wage gap. By addressing the problems at each stage, we increase the likelihood of reducing the gender wage gap itself.

The paper will recommend various different interventions at each stage that government ("Government Action"), business ("Business Action"), or both government and business working together ("Joint Action") can take. It will then briefly discuss the role of the HR profession and possible solutions the profession can offer. It argues that by taking these concrete steps, real progress can be made towards closing the wage gap between men and women.

Region: Ontario^[3]

Tags: gender^[4]

inequality^[5]

wages^[6]

Source URL (modified on 27 Jan 2022): <https://childcarecanada.org/documents/research-policy-practice/16/08/closing-gender-wage-gap>

Links

[1] <https://childcarecanada.org/documents/research-policy-practice/16/08/closing-gender-wage-gap>^[2]

<https://www.harpa.ca/Documents/Membership/Public-Affairs/HRPA-Closing-The-Gender-Wage-Gap-2016.pdf>^[3]

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