

CUPE BC PAY EQUITY WORKING GROUP

FREQUENTLY ASKED QUESTIONS REGARDING PAY EQUITY

1. **Q: What is the definition of pay equity?**

A: Pay equity is the principle, or the compensation practice, that recognizes that workers who perform (not identical or similar work) WORK OF EQUAL VALUE, should be paid equally. For example, if my job is determined by a job evaluation or classification scheme to be of equal value to another job, then I ought to receive the same pay as the worker doing the second job, even though it is not the same job; it is a job of equal *value*.

It is almost universally accepted in Canada that a wage gap exists between male and female wages, such that women, on average, earn 71¢ for every dollar earned by a man. Pay equity strives to close that gender-based discriminatory wage gap.

2. **Q: What is the difference between internal equity and pay equity?**

A: **Internal equity** is the process of establishing a fair and equitable wage hierarchy within a bargaining unit or organization. What that means is the value of the work being done in each job will be measured and compared against all other jobs in order to insure that every job is fairly paid, based on skill, responsibility, effort and working conditions.

The same process can be used to establish **pay equity** by first identifying gender-predominance of a given job (i.e. is it predominantly female, predominantly male, or gender-neutral). Predominantly female jobs will then be compared to **equally-valued** predominantly male jobs to determine the gender-based wage gap. This **pay equity** process then involves agreeing to the means by which the gender-based wage gap will be closed.

To put it another way, **internal equity** measures the value of jobs in the bargaining unit, while **pay equity** is one way of correcting the gender wage discrimination thus identified. Sometimes it may take years before pay equity is achieved, as the wage gap could be quite large in certain organizations.

In addition to using job evaluation as a tool for achieving pay equity, other means of closing the wage gap include:

- Using a gender-neutral job evaluation system to measure the worth or value of jobs;
- Eliminating increments, which are overwhelmingly found in predominantly-female jobs;
- Ensuring that working conditions exist which facilitate moving from (predominately-female) part-time or casual work into full time employment. Such conditions could include flexible working hours to accommodate child-rearing responsibilities and paid family leave.
- Ensuring that working conditions such as flexible hours to accommodate child-rearing responsibilities, that would facilitate part-time and casual workers (who are predominantly women) to obtain full-time employment exist;
- Bargaining across-the-board wage increases, rather than percentage wage increases, which only perpetuate the wage gap between men and women.

These are technical details, and courses and technical support for locals is available through the CUPE National Job Evaluation rep, Tania Jarzebiak, in the BC Regional Office.

3. Q: Where did the gender-based wage gap originate?

A: Before World War II, there were relatively few women in the Canadian workforce. The statistical reality was that women tended to work while they were single, before their marriage, or after a divorce, when it was necessary to do so to survive. Women were on the margins, and not considered to be a significant part of, the economy.

With the advent of World War II, the participation rate of women in the paid economy increased dramatically. Even though they were considered to be a secondary and temporary labour force (that is, temporary until the war was over), the work being done by women at that time was not stereotypically female work, but encompassed the whole range of work that had previously been done – and sometimes only *allowed* to be done – by men.

After the war, women were systematically shut out from many employment opportunities as employment ads were limited to men, and employers would not even interview women. Their labour force participation rate, as a result declined. Some 80,000 women were laid off from good-paying regular full-time government jobs to create jobs for the men returning from the war, and, in 1945, the prohibition against married women working in the federal public

sector was re-introduced, to create job openings for returning soldiers. The notion that *men* needed to earn “a family wage”, and that the cultural ideal was for women to resume their “rightful” position in the home, was widespread, and justified such blatant economic discrimination.

By the 1950's more women were working, but it was clear they were not earning the same levels of income as men in comparable positions, on any measure of comparison. Reasons given for this disparity included the fact that there were few jobs requiring “traditional feminine skills” that paid well; women were disproportionately represented in part-time employment; and women were disproportionately concentrated in the least-organized, lowest-skilled and lowest-paid types of employment which, at that time, included positions such as nurse, teacher, caregiver, laundry worker and domestic. Women were segregated into jobs for which the nurturing aspects of being a wife, mother and housekeeper, were thought to have prepared them. The segregation of women in lower paying jobs was accepted even to the point where collective agreements had sex-specific wage schedules!

By the 1960's, salary scales became integrated, and most employment ads now read “help wanted” rather than “men wanted” or “women wanted”, but the reality was that sex-based occupational segregation and wage disparities continued, even with the increase, from the 60's through the 80's, of women's labour force participation in paid labour.

The misconception, but widespread notion, that women's wages were *supplemental*, rather than *essential*, also contributed to the under-valuation of predominantly female jobs. This systemic discrimination was justified on the basis that women didn't really “need” a fair wage, as their earnings were “extra” income to that of their husbands, who were the bread winners responsible for their wives and children.

Understanding the history that gave rise to the current wage gap, it is important to understand that pay equity seeks to remedy this historical wage inequity, and is thus a mainstream equality issue. Just as fair-minded trade unionists would be aghast if wages for jobs traditionally performed by a particular racial or ethnic group were underpaid, *for reasons that had absolutely nothing to do with the nature of the job itself* but everything to do with the person performing it, so too must the need for **gender-based** pay equity be understood.

4. **Q: Why is the gender-based wage gap increasing, rather than decreasing with time?**

A: A review of the reports of the Federal and BC Pay Equity Task Forces, as well as the Canadian experience with pay equity litigation, demonstrates that predominantly female jobs continue to be undervalued and hence underpaid, so that only in those sectors where firm pay equity systems are in place, has much progress been made. Otherwise the gender-based wage gap continues to grow, because of the lack of pay equity legislation, because certain workers are not covered by the legislation and because implementing pay equity is taking such a long time to achieve. Prejudicial social attitudes toward the value of work done primarily by women, and the pressures of global competition and the “new capitalism” are all partly responsible for driving down wages in general, and women’s wages in particular.

5. **Q: Why haven’t we been able to eliminate the gender-based wage gap through collective bargaining?**

A: In the last 25 years of collective bargaining, while CUPE has had successes with individual employers, it has been unable to close the gender-based wage gap in many of its sectors. Indeed, the recent struggles of CUPE’s library workers in Vancouver and Victoria indicate just how difficult the bargaining of pay equity can be! The financial costs of litigating pay equity have been difficult for the labour movement to meet, while Employers seem to have more money to *fight* pay equity than to *provide* for pay equity!

In its 2004 Final Report, the federal Pay Equity Task Force devoted an entire chapter to “Pay Equity and Collective Bargaining”, and concluded as follows:

*“The goal of achieving pay equity cannot, in our view, be as effectively pursued through existing traditional bargaining relationships, as it can through a new structure which **will place the fundamental right of all women workers at the centre, whether they are represented by a strong trade union, a weak trade union, or no trade union at all.**”* (Emphasis mine)

In many cases where CUPE *has* been successful in negotiating pay equity, employers have often reneged on what they agreed to at the bargaining table, by vigorously undermining and challenging at arbitration any interpretation of pay equity other than the very narrowest.

6. Q: Why should stand-alone pay equity legislation be supported?

A: The Federal Pay Equity Task Force considered different legislative models to achieve pay equity, such as pay equity provisions contained within existing human rights legislation and stand-alone, or separate, pay equity legislation.

It concluded that eliminating wage discrimination is substantially different from some of the other types of discrimination contained in human rights legislation because of the technical, procedural and strategic issues involved in eliminating the wage gap.

They therefore recommended that the most effective way to address wage discrimination is specialized “stand-alone” legislation, a position which CUPE BC has adopted in its pay equity position paper.

CUPE’s position is that pay equity legislation is needed, and should be supported because:

- a) pay equity is fundamentally an issue of discrimination against women, and a tool that attempts to remedy that discrimination;
- b) in the course of 25 years of collective bargaining, CUPE, like most unions, has been unable to close the gender-based wage gap in many of its sectors;
- c) where CUPE has been successful in bargaining pay equity, employers have often reneged on what they agreed to at the bargaining table, by vigorously undermining and challenging at arbitration any interpretation of their pay equity obligations other than the very narrowest.
- d) on the principle that, as trade unionists, “what we desire for ourselves, we desire for all”, CUPE supports broad-based legislation that applies to both public AND private sector workers, unionized and non-unionized workers, and all workers regardless of their status as full-time, part-time, casual, or auxiliary.

7. Q: Which jurisdictions in Canada have pay equity legislation?

A: Pay equity legislation is neither a new, nor a radical idea. It is significant to note that 8 of the 14 jurisdictions in Canada have some form of pay equity legislation: Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island have pay equity legislation, with the federal and Yukon jurisdictions having pay equity protection in their human rights legislation.

BC, Saskatchewan and Newfoundland had implemented a form of administrative pay equity that applies only to their public service

employees, but which NO LONGER EXISTS. Thus, pay equity is a widely-accepted legal remedy for a form of historical discrimination against women in the majority of Canadian jurisdictions, often via legislation brought in by Conservative and Liberal, as well as the NDP governments.

8. Q: How is pay equity a remedy for *discrimination*?

A: As explained in our presentation, the wage gap between men and women exists in great part because of the history of under-valuing, and therefore under-paying, work traditionally done by women or that continues to be done predominantly by women. Pay equity attempts to end this gender-discrimination by achieving equal wages for equally-valued work, based on skill, effort, responsibility and working conditions.

9. Q: What is the BC government's position on pay equity and why do we not have pay equity legislation?

A: In 2002 the New Democratic Party government introduced an amendment to the BC Human Rights Code that allowed individuals to initiate pay equity complaints. However, the current Liberal government eliminated that legislation and established a Pay Equity Task Force which made its report on February 28, 2002. The Task Force recommended that the government immediately and effectively enforce equal pay for equal work, which has been contained in our BC Human Rights legislation for decades and which falls far short of pay equity, since it is concerned only with “**similar or substantively similar jobs.**” It also proposed studying specific industries in the province, to address what it saw as the unique pattern of sex-based wage disparities in each sector. In other words, the current government did NOT support any form of pay equity other than the very limited protection that has done nothing to eliminate the gender-based wage gap.

Since the elimination of the pay equity provision in our human rights legislation, neither the government of the day, nor the NDP opposition has seen fit to initiate pay equity legislation.

10. Q: Who will enforce and pay for pay equity?

A: As is the case with the enforcement of all human rights, and the setting up of a bureaucratic structure necessary to ensure such enforcement, a pay equity program will be paid for by the government, and is usually administered by an independent commission or tribunal.

11. Q: What are the social costs of the lack of pay equity legislation?

A: When male and/or female workers who work in predominantly female jobs are unfairly paid, it is not only that their wages are undervalued but the full range of wage-related benefits, including pensions, are negatively affected, perpetuating a cycle of women's poverty.

In BC, UBC professors Gillian Creese, Director of the Center for Women and Gender Studies, Sociology and Veronica Strong-Boag, professor in Educational Studies and Women's Studies, conducted a study entitled "Still Waiting for Justice: Provincial Policies and Gender Inequality in BC 2001-2008". That study, conducted by credible high-profile experts, illustrates the devastating impact of the governmental policies from 2001-2008 on women in the province and the dire need for, among other things, pay equity legislation.

(Note: Presenters have all been given a copy of this excellent report)

12. Q: Is pay equity bad for men?

A: Pay equity is *not* bad for men! It is beneficial for those men who choose to work in traditionally predominantly female jobs, since pay equity compensates persons whose jobs have been under-valued *regardless of the person's gender*. It is also beneficial for any man that has a mother, wife, sister or child in his family who works in a traditionally-female job, since the wage increase that pay equity will bring will add to the family's income. **Perhaps most importantly, it is good for all men who seek to live in a discrimination-free society!**

13. Q: Is pay equity bad for the employer?

A: This is like asking "was the abolition of slavery bad for the plantation owner?" Employers whose interest is in making profits, or trying to operate a service with inadequate funding, will most always argue that anything that costs them more money is "bad". Whenever any equity-seeking group, including women, has sought equality in the workplace, this is one of the first arguments they hear.

It is no longer controversial in mainstream Canada, that a significant wage gap exists between work traditionally done by women, and that traditionally done by men. People (of both sexes)

are paid lower wages based on nothing other than the gender-predominance of the job. This is sex-based discrimination and a breach of one of the most fundamental of human rights. As a Union, we simply cannot condone it.

14. Q: How does pay equity affect our pension?

A: When women's work is under-valued, not only do they receive less money in their pay cheque, but it also negatively impacts the amounts of compensation they receive for vacation pay, bonuses, pension plan, and any workplace benefits that are tied to one's pay.

15. Q: Why don't we just bargain pay equity?

A: CUPE, like other unions in the province, has been successful in achieving pay equity in certain sectors, generally those sectors where the wage gap was not that huge to begin with. However, BC unions have not been successful across the board in achieving pay equity for members, and the cost of fighting pay equity has been a significant financial and energy drain on the unions resources. In addition, the time involved in litigating pay equity claims has been a serious detriment to the achievement of pay equity. Even if we were successful in bargaining pay equity for our members, since we believe that "what we desire for ourselves, we desire for all", it is essential that the thousands of under-paid workers not lucky enough to be unionized, also deserve fair and equitable pay for the work that they do.

16. Q: How do we attain pay equity legislation?

A: We attain pay equity legislation through increasing public awareness about pay equity as a fundamental human right; by building coalitions within the labour movement and in the broader community, and by relentless lobbying of politicians at every level.